

# **ATTACHMENT 46**

HIGHLY CONFIDENTIAL

Page 1

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF PENNSYLVANIA

IN RE: PROCESSED EGG PRODUCTS MDL NO. 2002  
ANTITRUST LITIGATION 08-md-02002

---

THIS DOCUMENT RELATES TO:  
ALL DIRECT PURCHASER ACTIONS

**\*\* HIGHLY CONFIDENTIAL \*\***

VIDEOTAPED

DEPOSITION OF: GREGG OSTRANDER  
DATE: March 5, 2014  
TIME: 9:04 a.m. to 12:36 p.m.

LOCATION: Porter, Wright,  
Morris & Arthur  
9132 Strada Place  
3rd Floor  
Naples, FL

TAKEN BY: Direct Purchaser  
Plaintiff Class

REPORTER: Lori L. Bundy,  
RMR, FPR, RPR, CRR, CLR

## HIGHLY CONFIDENTIAL

Page 2	Page 4
<p>1 APPEARANCES:</p> <p>2 For the Direct Purchaser Plaintiff Class:</p> <p>3 RONALD J. ARANOFF, ESQ.</p> <p>4 DANA STATSKEY SMITH, ESQ.</p> <p>5 Bernstein Liebhard</p> <p>6 10 East 40th Street</p> <p>7 New York, NY 10016</p> <p>8 (212) 779-1414</p> <p>9</p> <p>10 For the Direct Action Plaintiffs:</p> <p>11 STEPHEN R. BROWN, ESQ.</p> <p>12 Jenner &amp; Block</p> <p>13 353 North Clark Street</p> <p>14 Chicago, IL 60654-3456</p> <p>15 (312) 222-9350</p> <p>16</p> <p>17 For the Indirect Purchasers:</p> <p>18 KEITH D. ESSENMACHER, ESQ.</p> <p>19 Lovell Stewart Halebian</p> <p>20 500 Fifth Avenue</p> <p>21 New York, NY 10110</p> <p>22 (212) 608-1900</p> <p>23</p> <p>24 For the Defendant Michael Foods:</p> <p>25 WILLIAM L. GREENE, ESQ.</p> <p>Stinson Leonard Street</p> <p>150 South Fifth Street</p> <p>Minneapolis, MN 55402</p> <p>(612) 335-1568</p> <p>For the Defendant NuCal:</p> <p>ASHLEY E. ZITRIN, ESQ.</p> <p>Kasowitz, Benson,</p> <p>Torres &amp; Friedman LLP</p> <p>101 California Street</p> <p>Suite 2300</p> <p>San Francisco, CA 94111</p> <p>(415) 655-4328</p> <p>(Appearing via speakerphone)</p>	<p>1 INDEX</p> <p>2 WITNESS: PAGE:</p> <p>3 GREGG OSTRANDER</p> <p>4 DIRECT EXAMINATION 6</p> <p>5 BY MR. ARANOFF:</p> <p>6 CROSS-EXAMINATION 112</p> <p>7 BY MR. BROWN:</p> <p>8 CROSS-EXAMINATION 129</p> <p>9 BY MR. ESSENMACHER:</p> <p>10 - - -</p> <p>11 EXHIBITS</p> <p>12 - - -</p> <p>13 PAGE</p> <p>14 Ostrander Exhibit Number 1 Bates numbers MFI 38</p> <p>15 0053741 through 0053763</p> <p>16 Ostrander Exhibit Number 2 Bates number UE 0944686 45</p> <p>17 through UE 0944687</p> <p>18 Ostrander Exhibit Number 3 MFI 018821. MFI 49</p> <p>19 0111951</p> <p>20 Ostrander Exhibit Number 4 Bates number MFI 57</p> <p>21 0363530</p> <p>22 Ostrander Exhibit Number 5 Bates number MFI 64</p> <p>23 0614973 through MFI</p> <p>24 0614975</p> <p>25 Ostrander Exhibit Number 6 Multipage Document MFC 77</p> <p>00013029_0002 to 0004</p> <p>Ostrander Exhibit Number 7 MFI 0101958 to MFI 91</p> <p>0101962</p> <p>Ostrander Exhibit Number 8 MFI 0611698 to MFI 91</p> <p>0611699</p> <p>Ostrander Exhibit Number 9 Bates number MFI 97</p> <p>0040262 to MFI 0040263</p> <p>Ostrander Exhibit Number 10 MFI 0452047 to MFI 101</p> <p>0452052</p> <p>Ostrander Exhibit Number 11 MFI 0133867 114</p> <p>Ostrander Exhibit Number 12 MFI 0319966 123</p> <p>Ostrander Exhibit Number 13 MFI 0000163 125</p> <p>Ostrander Exhibit Number 14 MFI 0101954 126</p>
Page 3	Page 5
<p>1 APPEARANCES CONTINUED:</p> <p>2 For the Defendant Moark LLC and Norco Ranch Inc.:</p> <p>3 TRAVIS KENNEDY, ESQ.</p> <p>4 Eimer Stahl, LLP</p> <p>5 224 South Michigan Avenue</p> <p>6 Suite 1100</p> <p>7 Chicago, IL 60604</p> <p>8 (312) 660-7672</p> <p>9 (Appearing via speakerphone)</p> <p>10</p> <p>11 Videographer: ROBERT KENNEDY</p> <p>12 - - -</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p>1 VIDEOGRAPHER: We're on the record. We're here</p> <p>2 today, March 5th, 2014, at approximately 9:04 a.m. for</p> <p>3 the videotaped deposition of Gregg Ostrander located</p> <p>4 in the office of Porter Wright Morris, Naples,</p> <p>5 Florida. In the case styled in re processed eggs</p> <p>6 antitrust litigation. Case number MDL 200208 MD</p> <p>7 02002.</p> <p>8 The videographer is Robert Kennedy. The reporter</p> <p>9 is Lori Bundy. At this time, would counsel please</p> <p>10 state their appearances for the record?</p> <p>11 MR. ARANOFF: Ronald Aranoff, Bernstein Liebhard</p> <p>12 LLP, 10 East 40th Street, New York, New York on behalf</p> <p>13 of the direct purchaser plaintiff class.</p> <p>14 MS. SMITH: Dana Statsky Smith, Bernstein</p> <p>15 Liebhard for direct purchaser plaintiffs.</p> <p>16 MR. BROWN: Stephen Brown from Jenner &amp; Block on</p> <p>17 behalf of the direct action plaintiffs, Kraft,</p> <p>18 Kellogg, General Mills, and Nestle.</p> <p>19 MR. ESSENMACHER: Keith Essermacher on behalf of</p> <p>20 the indirect purchasers from Lovell Stewart Halebian.</p> <p>21 MR. GREENE: William Greene of Stinson Leonard</p> <p>22 Street, counsel of record for defendant Michael Foods.</p> <p>23 VIDEOGRAPHER: Anybody on the phone?</p> <p>24 MS. ZITRIN: Ashley Zitrin from Kasowitz, Benson,</p> <p>25 Torres &amp; Friedman for defendant NuCal.</p>

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 6</p> <p>1 MR. ARANOFF: Anyone else on the phone?</p> <p>2 VIDEOGRAPHER: Would the deponent please raise</p> <p>3 your right hand to be sworn?</p> <p>4 THEREUPON,</p> <p>5 GREGG OSTRANDER,</p> <p>6 a witness, having been first duly sworn, upon his oath,</p> <p>7 testified as follows:</p> <p>8 THE WITNESS: I do.</p> <p>9 DIRECT EXAMINATION</p> <p>10 BY MR. ARANOFF:</p> <p>11 Q. Good morning, Mr. Ostrander. My name is Ronald</p> <p>12 Aranoff. We met a few moments ago. Let me just start by</p> <p>13 thanking you for being here today. Could you please state</p> <p>14 your full name and home address for the record?</p> <p>15 A. Gregg Alan Ostrander, 2385 -- see, I told you I</p> <p>16 can't remember anything. 2385 Gulf Shore Boulevard North,</p> <p>17 Naples, Florida.</p> <p>18 Q. And you understand, Mr. Ostrander, that you are</p> <p>19 testifying today under oath?</p> <p>20 A. Yes.</p> <p>21 Q. Okay. And have you ever been deposed before?</p> <p>22 A. Yes.</p> <p>23 Q. And when was that?</p> <p>24 A. I don't know, mid to 2000s on an employee</p> <p>25 discrimination case, I believe, and then sometime in the</p>	<p style="text-align: right;">Page 8</p> <p>1 Q. Okay. And I think what you said was it involved</p> <p>2 an employee that was involved in the potato side of the</p> <p>3 business as opposed to the egg side of the business?</p> <p>4 A. Yes.</p> <p>5 Q. Do you remember the name of the employee?</p> <p>6 A. I don't.</p> <p>7 Q. Do you know whether that employee is still</p> <p>8 employed by Michael Foods?</p> <p>9 A. They are not.</p> <p>10 Q. Okay. Do you know where that employee is now?</p> <p>11 A. No idea.</p> <p>12 Q. And you said that you previously testified in a</p> <p>13 deposition in that case?</p> <p>14 A. I believe I was deposed. I certainly testified</p> <p>15 in court.</p> <p>16 Q. Okay. I was going to ask you, do you know where</p> <p>17 that case was venued, what state?</p> <p>18 A. Minneapolis.</p> <p>19 Q. And do you know what court that was in, was that</p> <p>20 in federal court or was that in state court?</p> <p>21 A. I don't recall.</p> <p>22 Q. All right. Do you know how that case was</p> <p>23 resolved?</p> <p>24 A. I don't recall that either.</p> <p>25 Q. Okay. Do you know if the case settled?</p>
<p style="text-align: right;">Page 7</p> <p>1 late '90s on a patent infringement case.</p> <p>2 Q. Okay. And the employee discrimination case, was</p> <p>3 that at all related to your employment at Michael Foods?</p> <p>4 A. No.</p> <p>5 Q. Did you -- withdrawn.</p> <p>6 Can you give me just a very, very brief</p> <p>7 description about what that case, the employment</p> <p>8 discrimination case, was about?</p> <p>9 A. It was about a, I think, a wrongful termination</p> <p>10 claim by an employee of one of our divisions, potato</p> <p>11 products division, so it was not an employee that worked</p> <p>12 directly for me.</p> <p>13 Q. Okay. But this was while -- this was while you</p> <p>14 were at what company?</p> <p>15 A. I was president and CEO of and probably chairman</p> <p>16 of Michael Foods.</p> <p>17 Q. So the employment discrimination case was while</p> <p>18 you were employed at Michael Foods?</p> <p>19 A. Yeah. Oh. I thought you said was it about me.</p> <p>20 Q. No, just so that we're clear --</p> <p>21 A. Yeah.</p> <p>22 Q. -- the employment discrimination case in which</p> <p>23 you gave prior testimony occurred while you were employed</p> <p>24 at Michael Foods; correct?</p> <p>25 A. Yes, that's correct.</p>	<p style="text-align: right;">Page 9</p> <p>1 A. I don't remember what we did.</p> <p>2 Q. Do you know whether the case went to trial?</p> <p>3 A. I think it did.</p> <p>4 Q. Okay. Was there a jury verdict?</p> <p>5 A. I really don't remember.</p> <p>6 Q. Do you know whether the case had a jury in it at</p> <p>7 all?</p> <p>8 A. I don't.</p> <p>9 Q. Okay. But do you recall having testified --</p> <p>10 A. Yes.</p> <p>11 Q. -- at a trial?</p> <p>12 A. Yeah, I do.</p> <p>13 Q. Okay. You said that -- and besides your trial</p> <p>14 testimony in that case, do you recall whether you</p> <p>15 submitted any affidavits or affirmations, any other kind</p> <p>16 of sworn statements, maybe not testimony, but written</p> <p>17 affirmations?</p> <p>18 A. I don't recall.</p> <p>19 Q. Okay. You also just testified a few minutes ago</p> <p>20 there was a case from the late '90s where you gave some</p> <p>21 sworn testimony. Do you recall that?</p> <p>22 A. Yes, that was a patent infringement case.</p> <p>23 Q. Did that case involve -- withdrawn. Did that</p> <p>24 case occur while you were an employee of Michael Foods?</p> <p>25 A. Yes.</p>

3 (Pages 6 - 9)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 10</p> <p>1 Q. Okay. And what were the circumstances 2 surrounding that case? 3 A. That was a patent infringement case between 4 Michael Foods and Sunny Fresh foods for the production of 5 extended shelf life liquid egg products. 6 Q. Okay. Do you have an understanding as you sit 7 here today about what the nature of that litigation was, 8 what was the patent infringement issue that was at stake 9 at that litigation? 10 A. Yeah, we had issues with them infringing our 11 patents for the production of ESL liquid. 12 Q. And when you say VSL (sic) liquid, what does that 13 mean? 14 A. Extended shelf life liquid eggs. 15 Q. What is your definition of an extended shelf life 16 liquid egg? 17 A. A loosely -- a liquid egg product that's been 18 ultra pasteurized that has a shelf life in excess of seven 19 weeks or nine weeks, nine weeks, I think. 20 Q. Can you describe the process of what you mean 21 when you say ultra pasteurized, what does that mean? 22 A. More than pasteurized. 23 Q. Right. I understand that, but is there -- 24 A. There probably is a technical term for it, which 25 an R&amp;D guy would certainly know better than I would. I</p>	<p style="text-align: right;">Page 12</p> <p>1 Q. And did you lose the appeal as well? 2 A. Yes. 3 Q. And do you know what the damages that Michael 4 Foods paid in that case? 5 A. They were very nominal. I don't remember. 6 Q. Okay. Do you have a copy anywhere in your 7 possession of your trial testimony in either the 8 employment discrimination case or the patent infringement 9 case? 10 A. No. 11 Q. Who represented you -- in the employment 12 discrimination case, who represented Michael Foods? 13 A. I have no idea. 14 Q. Did you have your own lawyer in that case? 15 A. No. 16 Q. Okay. And in the -- in the patent infringement 17 case, who represented Michael Foods? 18 A. A firm out of South Carolina. I don't remember 19 their name. 20 Q. But it wasn't Mr. Greene; right? 21 A. Did you guys help with that case? 22 MR. GREENE: Mr. Ostrander, you're the witness, 23 so testify from your recollection. 24 THE WITNESS: I don't remember. 25 BY MR. ARANOFF:</p>
<p style="text-align: right;">Page 11</p> <p>1 really don't know. 2 Q. But this is a product that is manufactured by 3 Michael Foods; correct? 4 A. It is, we classify it as a value added egg 5 product, which is most of what we do as a company. 6 Q. Okay. And do you have an understanding of where 7 that case was venued in terms of where it took place? 8 A. That was -- my recollection is it was a federal 9 court in Minneapolis. 10 Q. Okay. And you testified in that action? 11 A. I was certainly deposed in that action. 12 Q. Okay. Did that case go to trial? 13 A. Yes, it did. 14 Q. And do you know what the -- did you testify at 15 the trial? 16 A. I don't remember if I did or didn't. 17 Q. Okay. Do you know how that case was resolved? 18 A. Yeah, we lost. 19 Q. Did you lose by virtue of a verdict or how did 20 you end up losing that case? 21 A. I believe we lost by a verdict. 22 Q. And do you know what -- well, withdrawn. 23 Was that case appealed, do you know if it went up 24 on appeal? 25 A. Yes, we did appeal the case.</p>	<p style="text-align: right;">Page 13</p> <p>1 Q. Okay. So you're not sure whether Mr. Greene was 2 involved in that case or whether Mr. Greene's firm was 3 involved in that case? 4 A. I don't recall. 5 Q. Okay. And that would be -- and that would be for 6 the patent infringement case; correct? 7 A. Yes. 8 Q. Can you recall whether Mr. Greene was involved at 9 all in the employment discrimination case? 10 A. I don't recall. 11 Q. Okay. And when I say Mr. Greene, let me just be 12 clear, I'm talking about either Mr. Greene or the firm or 13 firms that he was associated with. Would that be the same 14 answer for both cases? 15 A. Yes. 16 Q. Okay. If I wanted to get more information about 17 the employment discrimination case that we were just 18 talking about, who at Michael Foods could I speak to with 19 respect to that? 20 A. I'm assuming our head of HR. 21 Q. Okay. And do you know who that is currently? 22 A. Dennis Woodward. 23 Q. Woodward? 24 A. Woodward. 25 Q. And what about with respect to the patent</p>

4 (Pages 10 - 13)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 14</p> <p>1 infringement case, who would be the person most  2 knowledgeable at Michael Foods with respect to that case?  3 A. Probably Mark Westphal.  4 Q. Is Mr. Westphal still at the -- at Michael Foods?  5 A. Yes.  6 Q. Okay. In what role?  7 A. Chief financial officer.  8 Q. And I assume he was there during the -- during  9 the entire patent infringement case to the best of your  10 recollection?  11 A. No, in the latter part of it. I mean, this case  12 went on for eight or nine, ten years.  13 Q. And that was in the late '90s you said?  14 A. Well, it started early '90s and finished up in  15 the late '90s, I think, yeah.  16 Q. Okay. But when the case concluded, Mr. Westphal  17 was --  18 A. Yes.  19 Q. -- the CFO?  20 A. No, John Reedy was the chief financial officer,  21 Mark was the financial officer for the egg products  22 company.  23 Q. Okay. But you still think that Mr. Westphal  24 would be the person most knowledgeable about that issue?  25 A. Yes.</p>	<p style="text-align: right;">Page 16</p> <p>1 A. Sounds good.  2 Q. All right. And just for clarity's sake, you  3 understand, do you not, that you're testifying today with  4 respect to Michael Foods, you understand what Michael  5 Foods is; correct?  6 A. Yes.  7 Q. Okay. And when I refer to Michael Foods in  8 short, I'm specifically referring to Michael Foods,  9 Incorporated. Okay?  10 A. Yes.  11 Q. Okay. Can you briefly give me a description of  12 your educational background, Mr. Ostrander, starting with  13 college?  14 A. Yes. Undergraduate degree in business  15 administration, graduate degree in marketing in business.  16 Q. Where do you have your BA from?  17 A. University of Wisconsin Madison, same with my MBA  18 or I should say MS.  19 Q. And upon graduation did you immediately go to  20 work at Michael Foods?  21 A. No.  22 Q. Where were you before that?  23 A. I came out of school and I worked for Sani-Dairy,  24 which is a division of Beatrice Foods. Post Sani-Dairy  25 was at Beatrice Grocery Group out of Nashville. From</p>
<p style="text-align: right;">Page 15</p> <p>1 Q. Okay. So -- thank you for that. So you've done  2 this before in terms of having testified before from these  3 other two cases; right?  4 A. Yes.  5 Q. So you're somewhat familiar with how depositions  6 work, I'm going to ask you a series of questions, if you  7 don't understand anything that I ask you, go ahead and ask  8 me to rephrase it, I'll do my best to do so, but if you do  9 answer the question, I'm going to assume you understood it  10 and are answering it truthfully. All right?  11 A. Sounds good to me.  12 Q. All right. Is there anything that you can think  13 of that would prevent you from testifying truthfully  14 today?  15 A. No.  16 Q. If at any time during the deposition you need a  17 break, I'm happy to accommodate that. Mr. Greene and I  18 have done depositions before, so I'm happy to give you a  19 break if you need one. The only thing I would ask is if  20 there's a question pending you answer the question and  21 then we can take a short break and accommodate that.  22 You understand that the court reporter is taking  23 down everything you say, so I would just ask that you try  24 to speak slowly and clearly so we can make sure that we  25 get an accurate record. Okay?</p>	<p style="text-align: right;">Page 17</p> <p>1 there I went to Chicago with Armour Swift Eckrich, and  2 from Armour Swift Eckrich I went to Minneapolis to run  3 Michael Foods.  4 Q. And what year approximately did you start at  5 Michael Foods, please?  6 A. February of '93.  7 Q. And you were employed there until?  8 A. Until I retired, June 30th of 2010.  9 Q. You understand, do you not, Mr. Ostrander, that  10 you're testifying today both in your individual capacity  11 and as a corporate designee for Michael Foods?  12 A. Yes.  13 Q. Okay. And do you have an understanding as you  14 sit here today about what topic you're supposed to be  15 talking on behalf of the company about?  16 A. Yes.  17 Q. And what is that?  18 A. A class action litigation I believe purporting  19 price fixing or whatever, something along that line.  20 Q. Right. That's a little bit, I guess, about what  21 the case is about, but what I'm asking you is do you have  22 an understanding as to what topic specifically you've been  23 designated as the Michael Foods corporate representative?  24 A. Yes.  25 Q. What topic is that?</p>

5 (Pages 14 - 17)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 18</p> <p>1 A. That is the topic of whether -- at what point in 2 time we decided to join the UEP ACC program. 3 Q. Okay. So you understand that your testimony 4 today will be as the corporate representative on that 5 topic? 6 A. Yes. 7 Q. And the remainder of your testimony today will be 8 from your personal recollection? 9 A. Yes. 10 Q. Okay. I think you just responded to, I guess, 11 what would have been my next question, which is do you 12 have an understanding about what the case is about? I 13 think you gave somewhat of an answer, but just so that the 14 record is complete, do you understand what this case is 15 about? 16 A. Yeah, it's a class action suit alleging that our 17 industry colluded to increase prices, I believe, is what 18 it's about. 19 Q. Okay. Did you spend any time prior to today's 20 deposition, Mr. Ostrander, preparing for your deposition? 21 A. I spent some time yesterday with Bill Greene 22 reviewing some documents to refresh myself. 23 Q. Okay. 24 A. And I think the last time we did that was in July 25 pending a deposition that was supposed to be back in July</p>	<p style="text-align: right;">Page 20</p> <p>1 A. I think so. 2 Q. Okay. Besides the anonymous woman on the phone, 3 was there anybody else that was involved in the 4 preparation? 5 A. No. 6 Q. As part of your preparation, and I'm not asking 7 for anything that you discussed with Mr. Greene, but as 8 part of your preparation, at any point in time prior to 9 today did you review the deposition testimony of Tim 10 Bebee? 11 A. No. 12 Q. At any point during your preparation for today's 13 deposition, did you review the testimony of Terry Baker? 14 A. No. 15 Q. Have you read a transcript of any deposition that 16 has occurred in this case thus far? 17 A. No. 18 Q. Has anybody read that testimony, either 19 Mr. Baker, Mr. Bebee, or anybody else to you? 20 A. No. 21 Q. When is the last time that you spoke to 22 Mr. Bebee? 23 A. Years ago. 24 Q. Okay. You've had no communication with Mr. Bebee 25 other than that?</p>
<p style="text-align: right;">Page 19</p> <p>1 or August. 2 Q. Right. How long did you spend with Mr. Greene 3 yesterday? 4 A. Three or four hours. 5 Q. Okay. And that was a face-to-face meeting? 6 A. Uh-huh. 7 Q. Here in Naples? 8 A. Yes. 9 Q. Was anybody else present during your preparation 10 other than Mr. Greene? 11 A. We were the only people in the room. 12 Q. Okay. Was there anybody on the phone? 13 A. Yes. 14 Q. Who was on the phone? 15 A. I would have to refer to Bill Greene for that. 16 Q. So there was another person on the phone? 17 A. Yes. 18 Q. Okay. Do you know whether that person was a 19 member or lawyer at Bill Greene's offices? 20 A. I don't know that. 21 Q. Do you know whether the person on the phone was a 22 lawyer? 23 A. I believe she was a lawyer. 24 Q. She identified herself as a lawyer to you at some 25 point?</p>	<p style="text-align: right;">Page 21</p> <p>1 A. No. 2 Q. Does Mr. Bebee know you're testifying here today? 3 A. No. 4 Q. When is the last time you spoke to Mr. Baker? 5 A. Years ago. 6 Q. Okay. Mr. Baker doesn't know that you're -- that 7 you're being deposed today? 8 A. No, well, at least not to my knowledge. 9 Q. Okay. That's all I can ask. 10 A. Yeah. 11 Q. When is the last time you spoke with Toby 12 Catherman? 13 A. Years and years ago. 14 Q. Okay. I assume Mr. Catherman also doesn't know 15 from you that you're testifying here today? 16 A. I assume so. 17 Q. Don't tell me what Mr. Greene said to you or 18 showed you, but can you give me a sense of the volume of 19 documents that you reviewed in preparing for your 20 testimony today? 21 A. I don't know, maybe an inch or two of documents. 22 Q. Okay. And when we began at Michael Foods in 23 1993, what was your title at that time? 24 A. I was hired as president, chief operating 25 officer.</p>

6 (Pages 18 - 21)



## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 22</p> <p>1 Q. And is that the highest ranking title at the 2 company?</p> <p>3 A. No.</p> <p>4 Q. What was higher than that?</p> <p>5 A. Chairman CEO.</p> <p>6 Q. Who was that?</p> <p>7 A. That was Dick Olson.</p> <p>8 Q. And I assume that as president and chief 9 operating officer, you only reported to Mr. Olson; 10 correct?</p> <p>11 A. Yes.</p> <p>12 Q. There was also a board of directors; correct?</p> <p>13 A. Yes.</p> <p>14 Q. Were you on the board of directors?</p> <p>15 A. Yes.</p> <p>16 Q. Who else was on the board of directors when you 17 started at the company?</p> <p>18 A. Two members of the Michael family, Jim Michael, 19 Jeff Michael, Miles Efron, and beyond that I don't 20 recollect.</p> <p>21 Q. Was Mr. Olson on the --</p> <p>22 A. Dick Olson, myself.</p> <p>23 Q. Okay. Sorry if I interrupted you. Are Jim and 24 Jeff Michael still with the company?</p> <p>25 A. No.</p>	<p style="text-align: right;">Page 24</p> <p>1 Q. Do you know if he's still living?</p> <p>2 A. I don't know.</p> <p>3 Q. Do you know where he -- if he's alive, do you 4 know where he would be?</p> <p>5 A. I don't know.</p> <p>6 Q. Okay. What about Mr. Olson, is he still with the 7 company?</p> <p>8 A. No.</p> <p>9 Q. Do you know where Mr. Olson is now?</p> <p>10 A. I don't. Somewhere in southern Minnesota.</p> <p>11 Q. Okay. Do you have an understanding as to the 12 circumstances surrounding why Mr. Efron left the company?</p> <p>13 A. He was a board member and when we went -- took 14 the company private, Miles retired from the board.</p> <p>15 Q. Okay. What about Mr. Olson?</p> <p>16 A. Dick left the company when I became chairman -- 17 or when I became chief executive officer.</p> <p>18 Q. Okay. And so you were president and chief 19 operating officer beginning in 1993; right?</p> <p>20 A. Yes, uh-huh.</p> <p>21 Q. Okay. And how long did you stay in that role?</p> <p>22 A. About ten months.</p> <p>23 Q. All right. And then let's assume 1994 your 24 position changed?</p> <p>25 A. Yes.</p>
<p style="text-align: right;">Page 23</p> <p>1 Q. Okay. Where are they now?</p> <p>2 A. They're in Minneapolis somewhere, I guess.</p> <p>3 Q. They're still living?</p> <p>4 A. I'm not sure about Jim. Jeff is.</p> <p>5 Q. Okay. Do you know how old Jeff is?</p> <p>6 A. Jeff would be 50.</p> <p>7 Q. And he's not with the company anymore?</p> <p>8 A. No, he hasn't been for a long time.</p> <p>9 Q. Do you have an understanding as to why he's not 10 with the company anymore?</p> <p>11 A. We bought them out.</p> <p>12 Q. When you say we, who are you referring to?</p> <p>13 A. The shareholders, Michael Foods.</p> <p>14 Q. Okay. And do you know how old -- I assume Jim is 15 Jeff's father?</p> <p>16 A. Yes.</p> <p>17 Q. And do you have any idea how old he would be at 18 this point?</p> <p>19 A. He's 90 something.</p> <p>20 Q. Okay. And when they were with the company they 21 lived in Minnesota; correct?</p> <p>22 A. Yes.</p> <p>23 Q. And Miles Efron, do you know whether he's still 24 with the company?</p> <p>25 A. He's not with the company.</p>	<p style="text-align: right;">Page 25</p> <p>1 Q. And what did you become at that point?</p> <p>2 A. President, CEO.</p> <p>3 Q. And I assume that coincided with Mr. Olson's 4 departure from the company?</p> <p>5 A. Yes.</p> <p>6 Q. And did you remain president and CEO of Michael 7 Foods from then, I assume we're talking about '94?</p> <p>8 A. Yes.</p> <p>9 Q. Okay. From about 1994 until you left the company 10 on June 30th, 2010?</p> <p>11 A. More or less.</p> <p>12 Q. Can you explain what you mean by more or less?</p> <p>13 A. I was president CEO through, I think, probably -- 14 and chairman at some point in time through 2006 or '7. I 15 stepped back from the president's role because I brought 16 in a new president and chief operating officer for two 17 years. He didn't work out, so I stepped back in as 18 president and then CEO for a year and a half and kind of 19 until '08 or '09, brought in another president and CEO and 20 I stepped back to executive chairman and chairman of the 21 board.</p> <p>22 Q. Okay. So --</p> <p>23 A. Maybe you can figure all that you're doing great.</p> <p>24 Q. Who was the president and CEO for the two-year, 25 I'll call it interim period when you stepped back, who</p>

7 (Pages 22 - 25)



## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 26</p> <p>1 took that role, the fellow that didn't work out?</p> <p>2 A. Dave Johnson.</p> <p>3 Q. Is he still with the company now?</p> <p>4 A. No.</p> <p>5 Q. And not that I'm attempting to pry on this, but</p> <p>6 what was the circumstances surrounding his departure?</p> <p>7 A. He resigned after two years.</p> <p>8 Q. Do you know where Mr. Johnson is now?</p> <p>9 A. He's in Chicago working for a global chocolate</p> <p>10 company.</p> <p>11 Q. Just to put this issue to rest, did Mr. Johnson</p> <p>12 have any role whatsoever in Michael Foods' decisions to</p> <p>13 participate or not participate in the UEP program?</p> <p>14 A. No.</p> <p>15 Q. Okay. And then you said that you -- after you</p> <p>16 reassumed the role of president and CEO, you stepped back</p> <p>17 again in I think you said '08 or '09; is that correct?</p> <p>18 A. Somewhere in there, yes.</p> <p>19 Q. Okay. And then who became the president and CEO</p> <p>20 at that point?</p> <p>21 A. Jim Dwyer.</p> <p>22 Q. Is Mr. Dwyer still at the company now?</p> <p>23 A. Yes.</p> <p>24 Q. Again with respect to the same question I asked</p> <p>25 you about Mr. Johnson is did Mr. Dwyer play in role in</p>	<p style="text-align: right;">Page 28</p> <p>1 TH Lee and now currently Goldman Sachs, the board</p> <p>2 membership changed with each of those ownership changes in</p> <p>3 the company.</p> <p>4 Q. Okay. So just to break this down for a bit. Was</p> <p>5 there a set number of board members at Michael Foods</p> <p>6 during your tenure there? In other words, was the board</p> <p>7 set at a specific number of people, ten people, and then</p> <p>8 you slotted people in, or did the number of people on the</p> <p>9 board vary over time based upon circumstances?</p> <p>10 A. The number varied over time based on</p> <p>11 circumstance.</p> <p>12 Q. So roughly how many people were on the board</p> <p>13 during your tenure?</p> <p>14 A. Roughly seven or eight board members.</p> <p>15 Q. And that was comprised of people that were</p> <p>16 employees of the company and sometimes people that were</p> <p>17 outside the company?</p> <p>18 A. The only employee member of the board was myself.</p> <p>19 The others were all outside of the company.</p> <p>20 Q. So when Mr. -- when Steven and AJ Papetti joined</p> <p>21 the company, for example, after the acquisition --</p> <p>22 A. Good point.</p> <p>23 Q. Okay. Though -- they were on the board, though;</p> <p>24 right?</p> <p>25 A. Yeah, they were actually employees.</p>
<p style="text-align: right;">Page 27</p> <p>1 determining whether or not Michael Foods would join or not</p> <p>2 join the UEP program?</p> <p>3 A. No.</p> <p>4 Q. So commensurate with why you're testifying today,</p> <p>5 in part it was your decision, which we'll get to later, as</p> <p>6 to whether or not Michael Foods ever entered the UEP</p> <p>7 program; is that right?</p> <p>8 A. Yes.</p> <p>9 Q. And just to complete this area, the composition</p> <p>10 of the board during your tenure, I just want to get a</p> <p>11 basic sense, at some point Jim and Jeff Michael left the</p> <p>12 board as did Mr. Efron and Mr. Olson?</p> <p>13 A. Yes.</p> <p>14 Q. Can you recall during the remainder of the period</p> <p>15 of time, let's assume from '94 until 2010, which other</p> <p>16 folks at Michael Foods comprised the board?</p> <p>17 A. When we made a major acquisition, 1997, the</p> <p>18 Papettis, Steven and I think AJ Papetti came on the board</p> <p>19 as a part of that acquisition. Beyond that, Jerry Janco</p> <p>20 was a board member during that time frame, he was a</p> <p>21 business associate I knew through the industry, which I</p> <p>22 asked to join the board. I don't remember when he came on</p> <p>23 or when he left. We had a woman board member and I quite</p> <p>24 honestly don't remember her name. And then throughout our</p> <p>25 private equity tenures with Vestar Capital first and then</p>	<p style="text-align: right;">Page 29</p> <p>1 Q. Okay.</p> <p>2 A. So for a window of time they were on the board</p> <p>3 and they were employees.</p> <p>4 Q. And they're not there anymore?</p> <p>5 A. No, they've all gone away.</p> <p>6 Q. All right. They were bought out?</p> <p>7 A. We bought their company.</p> <p>8 Q. Right.</p> <p>9 A. And when we took the company private in 2001 from</p> <p>10 a public company, we bought them out.</p> <p>11 Q. All right. And Mr. Janco, he's not there anymore</p> <p>12 either?</p> <p>13 A. No.</p> <p>14 Q. Okay. For the period of time from, say, 2002</p> <p>15 through let's say 2010 when you left, can you think of</p> <p>16 anybody else other than the people you've mentioned thus</p> <p>17 far that are on the -- that were on the board?</p> <p>18 A. Sure, there are people from Vestar, people from</p> <p>19 TH Lee, which are our private equity partners in owning</p> <p>20 the company that were on the board.</p> <p>21 Q. And Goldman Sachs?</p> <p>22 A. And Goldman Sachs more recently, yeah.</p> <p>23 Q. And do those companies that have invested in</p> <p>24 Michael Foods, right, do they each have a representative</p> <p>25 on the board at any one time?</p>

8 (Pages 26 - 29)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 30</p> <p>1 A. Actually, they tend to determine the board since 2 they are the majority owner of the company. 3 Q. When you say they, who are -- 4 A. Meaning the principal partners of Vestar, the 5 principal partners of TH Lee, and the principal partners 6 of Goldman Sachs. So, in effect, they are the major 7 shareholder, they determine who's on the board, their 8 decision. 9 Q. I just want to get a sense. You said Vestar, 10 V-E-S-T-A-R? 11 A. Yes. 12 Q. Okay. And TH Lee? 13 A. Yes. 14 Q. And Goldman? 15 A. Yes. 16 Q. Do you have an understanding as to what 17 percentages of Michael Foods each one of these individuals 18 own, or these companies own, I should say? 19 A. On average they owned 85 to 90 percent of the 20 company. 21 Q. Jointly; right? 22 A. No, I mean, the firm that was the partner at the 23 time. So Vestar when they helped me take the company 24 private in 2001 owned about 90-plus percent of Michael 25 Foods.</p>	<p style="text-align: right;">Page 32</p> <p>1 Clarkson, John Reedy, all stayed on board. 2 Q. Do you know what year TH Lee took over for 3 Vestar? 4 A. I believe it was spring of '04. 5 Q. And then when did Goldman take over for TH Lee? 6 A. July 1 of '10, 2010. 7 Q. And that coincided essentially -- 8 A. With my retirement. 9 Q. -- with your retirement? 10 A. Uh-huh. 11 Q. And did they keep the board at that point at 30 12 to 40, or did they shrink the board? 13 A. 30 to 40? 14 Q. Yeah. 15 A. No, those were management participants in the 16 ownership. 17 Q. I'm sorry. Sorry about that. I misunderstood. 18 A. The board has always been kind of six to eight 19 people. 20 Q. Okay. 21 A. The ownership group I'm talking about is the 22 number of managers that we allowed to buy into ownership 23 of the company. 24 Q. Okay. And what did Goldman do with the 25 management team that owned part of the company, did they</p>
<p style="text-align: right;">Page 31</p> <p>1 Q. Okay. Who owned the remaining ten percent? 2 A. Management. 3 Q. And that was you? 4 A. And other members of senior management, yes. 5 Q. Can you think of the other folks that comprised 6 senior management under Vestar's 85 percent ownership? 7 A. Yes, there were five of us, myself, John Reedy, 8 Bill Goucher, JD Clarkson, I think Mark Anderson. 9 Q. Okay. And what about under the TH Lee ownership, 10 if you weren't finished -- I wasn't looking, so if you 11 weren't finished with your answer? 12 A. No. 13 Q. I'm sorry about that? 14 A. No, I was kind of done. Under TH Lee, we 15 expanded that group dramatically, it became 30 or 35 16 people, so, I mean, that would be available but I don't -- 17 I can't even -- 18 Q. Right. 19 A. -- try to remember that group. 20 Q. Fair enough. The folks, though, the folks, 21 though, that you mentioned, did they stay on between the 22 Vestar and the TH Lee acquisition? 23 A. Bill Goucher retired. 24 Q. Okay. 25 A. Guys like Jim Moore and Mark Anderson, JD</p>	<p style="text-align: right;">Page 33</p> <p>1 shrink it, did they expand it? 2 A. I don't know the specifics, but it was -- it is 3 at least 30 people, I believe. It's a different group of 4 30 people, but it's about 30 people. 5 Q. And you believe that all this information is 6 publicly available? 7 A. Absolutely it is, yes. 8 Q. In your roles from '93 to 2010 as president 9 and -- did you want to say something? 10 A. No, I'm just thinking of the years. 11 Q. President and CEO from '93 to 2010 in your roles 12 at Michael Foods, can you explain how decisions were made? 13 Was every decision essentially run by the board, or did 14 you as the head of the company for a large portion of that 15 time have autonomy to make your own decisions? 16 A. We had autonomy to run the company, and the board 17 was from an advisory point of view an advisory role. 18 Within my organization we had a divisional structure, so I 19 had divisional presidents that ran pieces of Michael 20 Foods. And they had quite a bit of authority and autonomy 21 to run their business without running things by me. So we 22 have potato products division and egg products and a 23 Crystal Farms division. The presidents that ran those 24 businesses were responsible and held accountable for the 25 day-to-day operations of those businesses.</p>

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 34</p> <p>1 Q. Right. But you -- in other words, if you wanted 2 to make a decision for the betterment of the company, you 3 were authorized to proceed and do that, you didn't need to 4 check in with the board before making a specific decision 5 about what was best for the company while you were the 6 most senior member of management; correct?</p> <p>7 A. That's correct. The only caveat to that is if it 8 required spending capital above a million dollars. If we 9 had to spend more than a million dollars on a project, we 10 needed to get board approval for that.</p> <p>11 Q. And with respect to the decisions about joining 12 the UEP, that would not have required a million dollar or 13 more decision, so you were able to make that decision on 14 your own; is that correct?</p> <p>15 A. That's correct.</p> <p>16 Q. And when I say join the UEP, just so that the 17 record's clear, I'm talking about the to join any programs 18 also within the UEP, animal welfare would be an example of 19 that; right?</p> <p>20 A. That's correct.</p> <p>21 Q. You're talking more, when you say a million 22 dollars of capital, you're talking about, for example, 23 efforts to expand or acquire things that would have cost 24 Michael Foods a million dollars or more, that would have 25 needed board approval; correct?</p>	<p style="text-align: right;">Page 36</p> <p>1 firm to where Mr. Greene is now; right?</p> <p>2 A. That's correct.</p> <p>3 Q. That's right?</p> <p>4 A. Yes.</p> <p>5 Q. How often does the board of directors at the 6 company meet?</p> <p>7 A. Normally quarterly.</p> <p>8 Q. And there are minutes taken of all board 9 meetings?</p> <p>10 A. Yes.</p> <p>11 Q. And is there, generally speaking, a lawyer 12 present at all the board meetings?</p> <p>13 A. There has been a lawyer present once we hired 14 Keri because she's secretary of the company. Prior to 15 that, no.</p> <p>16 Q. And does Ms. Wolski take the notes, the minutes?</p> <p>17 A. She does.</p> <p>18 Q. And do folks take notes at those meetings, 19 handwritten notes on a pad?</p> <p>20 A. Keri is responsible for taking notes at the 21 meeting.</p> <p>22 Q. Those are the specific official minutes of the 23 board meeting; right?</p> <p>24 A. Yes.</p> <p>25 Q. But I assume that at some point, correct me if</p>
<p style="text-align: right;">Page 35</p> <p>1 A. Yes.</p> <p>2 Q. Does Michael Foods have a general counsel?</p> <p>3 A. We do.</p> <p>4 Q. And who is the general counsel?</p> <p>5 A. Her name is Keri Wolski.</p> <p>6 Q. And was she -- can you spell her last name for 7 me, please?</p> <p>8 A. W-O-L-S-K-I.</p> <p>9 Q. And was Ms. Wolski the general counsel of the 10 company for the entire tenure of your time there?</p> <p>11 A. No.</p> <p>12 Q. Who was -- who was her predecessor?</p> <p>13 A. We didn't have an in-house counsel prior to that. 14 Al Woodward from Leonard Street was our outside counsel.</p> <p>15 Q. And do you know whether Ms. Wolski is still the 16 general counsel today?</p> <p>17 A. She is.</p> <p>18 Q. Okay. Do you know what year she started as the 19 general counsel? I won't hold you to it, just 20 approximately.</p> <p>21 A. I believe she joined in about '08.</p> <p>22 Q. And she was -- do you know where she was employed 23 before that?</p> <p>24 A. Leonard Street.</p> <p>25 Q. And that's, as far as you know, the predecessor</p>	<p style="text-align: right;">Page 37</p> <p>1 I'm wrong, if you were in a board meeting, you might jot 2 down some notes, some handwritten notes, et cetera?</p> <p>3 A. Yes.</p> <p>4 Q. Are those notes collected at the end of the 5 meeting and then saved someplace, either electronically or 6 in paper form?</p> <p>7 A. No.</p> <p>8 Q. Do you have a file where you would have kept 9 information that you looked at from board meetings?</p> <p>10 A. No.</p> <p>11 Q. Do you have any kind of an electronic planner or 12 organizer, PDA, any of those fancy devices where you would 13 have kept your notes from particular meetings?</p> <p>14 A. No.</p> <p>15 Q. Do you know whether or not at any point during 16 your tenure from 1993 to 2010 at Michael Foods whether 17 they had a specific written policy on antitrust issues?</p> <p>18 A. Yes.</p> <p>19 Q. You understand what I mean by antitrust issues, 20 Mr. Ostrander?</p> <p>21 A. Yes.</p> <p>22 Q. Okay. What does that mean? What is your 23 understanding of antitrust issues?</p> <p>24 A. Anything that would be in violation of federal 25 law regarding collusion, price fixing, anything like that.</p>

10 (Pages 34 - 37)

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 38</p> <p>1 MR. ARANOFF: This was marked at the Baker 2 deposition. I'll do whichever you find to be easier. 3 I can remark this as Ostrander one, or we can just 4 refer to it as Baker. 5 MR. GREENE: It's up to you. 6 MR. ARANOFF: Okay. You have don't have a 7 preference? 8 MR. GREENE: No. 9 MR. ARANOFF: Let's double mark it otherwise it 10 will get confusing. 11 (Ostrander Exhibit Number 1, Bates numbers MFI 12 0053741 through 0053763, was marked for 13 identification.) 14 BY MR. ARANOFF: 15 Q. Okay. Mr. Ostrander, I've put in front of you 16 what the court reporter was kind enough to mark as 17 Ostrander 1 for purposes of identification. It's a 18 multipage document bearing Bates numbers MFI 0053741. 19 It's labeled highly confidential, and it goes, I believe, 20 sequentially through MF 1 -- I'm sorry, it's not MF 1, 21 it's MFI 0053741 through MFI 0053763. Again, the document 22 is highly confidential, it's titled business conduct 23 policy, Michael Foods, Inc. I'll also note just so the 24 record is clear this was also marked at the deposition of 25 Terry Baker as Exhibit DAP-Baker W. Give you a few</p>	<p style="text-align: right;">Page 40</p> <p>1 Michael Foods conducts business. 2 Do you see that? 3 A. Yes. 4 Q. First, do you know who authored this document? 5 A. I don't. 6 Q. Do you know when this document came into 7 existence? 8 A. I do not. 9 Q. Do you know whether this document came into 10 existence when Ms. Wolski became the general counsel of 11 the company? 12 A. I do not know that. 13 Q. Is it fair to say though, however, Mr. Ostrander, 14 that you've seen this document before? 15 A. Yes. 16 Q. Has this document in any form been transmitted to 17 Michael Foods' employees? 18 A. This document, I believe, is signed by key 19 Michael Foods employees on an annual basis. 20 Q. And what determines whether somebody is a key 21 Michael Foods employee. 22 A. I'm not sure the definition of that. 23 Q. Okay. Is it -- well, withdrawn. 24 Who would have been responsible to disseminate 25 this among the key Michael Foods employees?</p>
<p style="text-align: right;">Page 39</p> <p>1 moments just to take a look at it and then I'd like to ask 2 you some questions. You're free to look at the whole 3 document, but I am going to focus my questions on Bates 4 number MF1 0013757. 5 A. Okay. 6 Q. Are you all set? 7 A. I suppose so. 8 Q. I don't want to -- 9 A. I am familiar with the document. 10 MR. GREENE: Do you want him to read that 11 portion? 12 MR. ARANOFF: No, I just want to make sure he's 13 familiar. I want to ask him some questions, but I 14 don't want to shortchange him -- 15 THE WITNESS: If I need to read it, I'll let you 16 know. 17 BY MR. ARANOFF: 18 Q. Okay, great. All right. So you see at the 19 bottom quarter of the page it says antitrust compliance; 20 right? 21 A. Yes. 22 Q. Okay. And it says under subsection A antitrust 23 laws it is Michael Foods policy to strictly comply with 24 antitrust laws and the competition and antimonopoly laws 25 of all countries, states, and governmental bodies in which</p>	<p style="text-align: right;">Page 41</p> <p>1 A. More than likely Dennis Woodward, who is vice 2 president of human resources. 3 Q. Do you have any recollection of having discussed 4 any of the information contained in this -- and 5 specifically I'm talking about the antitrust sections on 6 the pages that I've identified. Do you recall having 7 discussed this with any employees at Michael Foods? 8 A. Not specifically, no. 9 Q. How about generally, do you recall having 10 discussed this generally with anybody at Michael Foods? 11 A. In the context of reviewing this business conduct 12 policy as CEO and proving this to be sent and signed by 13 employees, I'm familiar with the document. 14 Q. Okay. Do you know whether -- well, withdrawn. 15 Would Terry Baker in your mind be considered a 16 key employee? 17 A. Yes. 18 Q. Would Tim Bebee in your mind be considered a key 19 employee? 20 A. Yes. 21 Q. Would Toby Catherman in your mind be considered a 22 key employee? 23 A. Yes. 24 Q. Okay. So just putting one and one and one 25 together, then you would conclude logically, would you</p>

11 (Pages 38 - 41)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 42</p> <p>1 not, that in your estimation these people that I just  2 mentioned, Mr. Bebee, Mr. Baker, Mr. Catherman, they would  3 have received this document; right?  4 A. That would be my assumption, yes.  5 Q. Okay. But you don't recall that specifically?  6 A. No, I do not.  7 Q. Can you -- withdrawn. Okay.  8 So if you turn to the next page of the document  9 that we were referring to, which is MFI 0053758. The top  10 of the page says if you engage in any conduct or practice  11 that may involve the antitrust laws, you should be guided  12 by this policy and you should seek advice of company legal  13 counsel.  14 Do you see that?  15 A. Yes.  16 Q. Can you think of any circumstance where anybody  17 sought the advice of the company's legal counsel with  18 respect to any of the information contained in the  19 antitrust sections of this policy?  20 MR. GREENE: Objection. Lack of foundation. If  21 I object, you can go ahead and answer, unless I  22 instruct you not to answer.  23 THE WITNESS: Oh, okay. Not to my knowledge.  24 BY MR. ARANOFF:  25 Q. Okay. Just so that it's clear, to your</p>	<p style="text-align: right;">Page 44</p> <p>1 Q. I read that accurately?  2 A. Yes.  3 Q. Okay. Do you have any recollection as to whether  4 or not this provision was ever implicated during your  5 tenure at Michael Foods?  6 A. Not to my knowledge or recollection.  7 Q. Okay. You can put that away. And I may have  8 asked you this before, but I'm not so good at using the  9 LiveNote, so if you'll indulge me for just a second. The  10 conduct policy that we just referenced as Ostrander 1,  11 that is disseminated to key employees on a yearly basis?  12 I think you said that before, but I may be wrong.  13 A. I did say that before, it's either yearly or when  14 someone is hired.  15 Q. So it's either sent out yearly to key employees;  16 right?  17 A. Yes.  18 Q. Or it's given to an employee, a key employee,  19 upon his or her hiring?  20 A. Yes.  21 Q. Does anybody look at the policy periodically to  22 refresh it, to go through it, update it; any of those  23 kinds of things over the course of time?  24 A. Not to my knowledge.  25 Q. Okay. And if there was somebody that would do</p>
<p style="text-align: right;">Page 43</p> <p>1 knowledge, nobody has -- well, withdrawn.  2 You see the term company legal counsel here?  3 A. Yes.  4 Q. Okay. Who would that be referring to? Who is  5 the company's legal counsel?  6 A. It would be Leonard, Street &amp; Deinard prior to  7 Keri Wolski became our general counsel.  8 Q. And after Keri Wolski became the general counsel,  9 would it have been her?  10 A. She would be the contact for any inquiries, yes.  11 Q. Just so that we're clear, you're not aware of  12 anybody who has sought legal counsel, I don't want to know  13 what the subject of it is, I just want to know if anybody  14 that you know sought legal counsel with respect to any of  15 the information contained in the antitrust provisions  16 here?  17 A. Not to my knowledge or recollection.  18 Q. Okay. Moving on to the next page, first  19 paragraph, right before the letter C it says, if you  20 attend a trade association meeting and become aware that  21 competitors are discussing improper subjects, you should  22 leave the meeting immediately and advise your superior and  23 company legal counsel.  24 Do you see that?  25 A. Yes.</p>	<p style="text-align: right;">Page 45</p> <p>1 that, it would be the company's counsel?  2 A. I would think so.  3 Q. But you don't have any recollection --  4 A. No.  5 Q. -- of that policy having taken place during your  6 tenure at Michael Foods?  7 A. You mean changes to that policy?  8 Q. Yes.  9 A. I don't recall any, no.  10 Q. Okay. Okay, Mr. Ostrander, just showing you  11 what's been marked as Ostrander 2 for purposes of  12 identification.  13 (Ostrander Exhibit Number 2, Bates number UE  14 0944686 through UE 0944687, was marked for  15 identification.)  16 BY MR. ARANOFF:  17 Q. This is a two-page document bearing Bates number  18 UE 0944686 through UE 0944687. It's labeled confidential.  19 This was also used at the Baker deposition, DAP-Baker V,  20 as an exhibit. I'll give you a minute to take a look at  21 it and then I'd like to ask you a couple of questions when  22 you're done.  23 A. Go ahead.  24 Q. Okay. So my first question, Mr. Ostrander, have  25 you ever seen this document before?</p>

12 (Pages 42 - 45)



## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 46</p> <p>1 A. No.</p> <p>2 Q. Okay. If you'll look at the top, this is labeled</p> <p>3 UEP Marketing Committee Antitrust Issues, November 16th,</p> <p>4 2004. Do you see that?</p> <p>5 A. Yes.</p> <p>6 Q. Okay. You were employed as the president and CEO</p> <p>7 of Michael Foods during this time?</p> <p>8 A. Yes.</p> <p>9 Q. All right. And are you familiar at all,</p> <p>10 Mr. Ostrander, with a law firm called Brann &amp; Isaacson?</p> <p>11 A. No.</p> <p>12 Q. Are you familiar with a lawyer named Irving</p> <p>13 Isaacson?</p> <p>14 A. No.</p> <p>15 Q. Are you familiar with a lawyer by the name of</p> <p>16 Kevin Haley?</p> <p>17 A. No.</p> <p>18 Q. Do you recall ever having met with anybody from</p> <p>19 that law firm in the past?</p> <p>20 A. No.</p> <p>21 Q. Did you personally ever attend any UEP meetings?</p> <p>22 A. I may have attended one or two annual UEP</p> <p>23 meetings.</p> <p>24 Q. This document as we've just identified is titled</p> <p>25 UEP Marketing Committee Antitrust Issues from</p>	<p style="text-align: right;">Page 48</p> <p>1 A. No.</p> <p>2 Q. The third bullet says, there should be no</p> <p>3 agreements with egg breakers re supply. Do you recall</p> <p>4 whether anybody discussed this issue with you at</p> <p>5 Michael Foods?</p> <p>6 A. No.</p> <p>7 Q. Number four, there should be no attempt to set</p> <p>8 guidelines or limitations for nonmembers. Do you recall</p> <p>9 anybody discussing that with you at Michael Foods?</p> <p>10 A. No.</p> <p>11 Q. The fifth bullet says, there should be no</p> <p>12 agreements regarding purchase of eggs or with regard to</p> <p>13 contract growers? Do you see that?</p> <p>14 A. Yes.</p> <p>15 Q. Do you recall anybody discussing that with you at</p> <p>16 Michael Foods?</p> <p>17 A. No.</p> <p>18 Q. Number six, there should be no attempt to boycott</p> <p>19 or curtail business with a nonmember regarding failure to</p> <p>20 follow guidelines or for that matter regarding any other</p> <p>21 issues. Do you recall anybody discussing that with you</p> <p>22 during your tenure at Michael Foods?</p> <p>23 A. No.</p> <p>24 Q. And finally there should be no efforts to coerce</p> <p>25 non-members to join UEP. Do you see that?</p>
<p style="text-align: right;">Page 47</p> <p>1 November 16th, 2004. Do you have a recollection as to</p> <p>2 whether or not you attended this meeting?</p> <p>3 A. I did not.</p> <p>4 Q. Okay. And you've never seen this before, you</p> <p>5 said?</p> <p>6 A. Never.</p> <p>7 Q. If you turn to the second page of the document,</p> <p>8 it talks about some absolutes. Do you see that on the</p> <p>9 bottom?</p> <p>10 A. Okay.</p> <p>11 Q. And if you take a look at it, it has a number of</p> <p>12 bullet points there, the first one says, if go beyond</p> <p>13 exchange of information then should style that item as</p> <p>14 marketing guidelines; i.e., how many eggs to sell and not</p> <p>15 to produce or purchase.</p> <p>16 Do you see that?</p> <p>17 A. I see it.</p> <p>18 Q. Okay. Was there ever a situation where anybody</p> <p>19 raised this as an issue to you during your tenure at</p> <p>20 Michael Foods?</p> <p>21 A. No.</p> <p>22 Q. The second bullet says, the quantities should be</p> <p>23 guidelines and suggestions and there should be no</p> <p>24 penalties for failure to follow. Do you recall whether</p> <p>25 anybody discussed this issue with you at Michael Foods?</p>	<p style="text-align: right;">Page 49</p> <p>1 A. Yes.</p> <p>2 Q. Do you recall anybody discussing that with you</p> <p>3 during your tenure at Michael Foods?</p> <p>4 A. No.</p> <p>5 Q. Okay. You can put that aside. Just a couple of</p> <p>6 foundational questions before we look at what's been</p> <p>7 marked as Ostrander 3 for purposes of identification,</p> <p>8 which is a one-page document bearing two Bates numbers,</p> <p>9 MFN 018821. It's also MFI 0111951. It's a confidential</p> <p>10 document.</p> <p>11 (Ostrander Exhibit Number 3, MFN 018821. MFI</p> <p>12 0111951, was marked for identification.)</p> <p>13 BY MR. ARANOFF:</p> <p>14 Q. You understand what I mean when I say UEP, you</p> <p>15 know what that is, Mr. Ostrander?</p> <p>16 A. Yes.</p> <p>17 Q. That's the United Egg Producers?</p> <p>18 A. Yes.</p> <p>19 Q. And when I talk about the animal welfare program,</p> <p>20 you understand what that is?</p> <p>21 A. Yes.</p> <p>22 Q. Okay. And you understand what the animal welfare</p> <p>23 committee is?</p> <p>24 A. Yes.</p> <p>25 Q. Okay. And do you have an understanding as to</p>

13 (Pages 46 - 49)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 50</p> <p>1 what the 100 percent rule is as it relates to the UEP?</p> <p>2 A. Yes, I do.</p> <p>3 Q. Okay. Give you a minute to take a look at the</p> <p>4 document and then I would like to ask you a couple</p> <p>5 questions, please.</p> <p>6 A. Okay.</p> <p>7 Q. Okay. So this is an e-mail chain, the first</p> <p>8 e-mail was sent from Tim Bebee to Bill Goucher and to you;</p> <p>9 right?</p> <p>10 A. Yes.</p> <p>11 Q. Okay. And that's from Wednesday, March 27th,</p> <p>12 2002. Do you see that?</p> <p>13 A. Yes.</p> <p>14 Q. And the subject is UEP animal welfare meeting;</p> <p>15 right?</p> <p>16 A. Yes.</p> <p>17 Q. Okay. This was during your tenure as president</p> <p>18 and CEO of the company; correct?</p> <p>19 A. Yes.</p> <p>20 Q. All right. And I think we talked about Mr. Bebee</p> <p>21 before, you know who Mr. Bebee is; correct?</p> <p>22 A. Yes.</p> <p>23 Q. All right. And same with Mr. Goucher, we talked</p> <p>24 about him before --</p> <p>25 A. Yes.</p>	<p style="text-align: right;">Page 52</p> <p>1 few bad guys often voting against the motions made. Other</p> <p>2 major producers represented and on the committee are</p> <p>3 Cal-Maine, Rose Acres, Kofkoff, now part of Land O Lakes,</p> <p>4 Buckeye, Midwest Poultry Services, Sparboe, and Day Lay.</p> <p>5 All but Buckeye have signed on to the program. Everything</p> <p>6 that comes out of this meeting has to be approved or</p> <p>7 disapproved by the executive board. They meet in May.</p> <p>8 Okay. Do you have an understanding as you sit</p> <p>9 here today about what program is mentioned in the</p> <p>10 penultimate sentence here, the second to last sentence?</p> <p>11 A. I'm sorry. Which second to the last sentence?</p> <p>12 Q. The second to last sentence which I just read,</p> <p>13 which says all Buckeye have signed on to the program. Do</p> <p>14 you have an understanding to what program we're talking</p> <p>15 about?</p> <p>16 MR. GREENE: I think you meant all but Buckeye.</p> <p>17 MR. ARANOFF: Okay. If I read that wrong, I'm</p> <p>18 sorry.</p> <p>19 BY MR. ARANOFF:</p> <p>20 Q. All but Buckeye have signed on to the program.</p> <p>21 Do you know what --</p> <p>22 A. I believe that is the Animal Care Certified</p> <p>23 program of the UEP.</p> <p>24 Q. Okay. All right. And then Mr. Bebee continues</p> <p>25 here with the highlights, and he says, approximately seven</p>
<p style="text-align: right;">Page 51</p> <p>1 Q. -- correct?</p> <p>2 MR. GREENE: Let Mr. Aranoff finish the question.</p> <p>3 THE WITNESS: Yes.</p> <p>4 MR. GREENE: Even if you know where it's going,</p> <p>5 so we have a clear record.</p> <p>6 MR. ARANOFF: He's able to pick every question</p> <p>7 out before I finish it.</p> <p>8 THE WITNESS: There we go, uh-huh.</p> <p>9 BY MR. ARANOFF:</p> <p>10 Q. And we talked about Mr. Goucher before; right?</p> <p>11 A. Yes.</p> <p>12 Q. Okay. And he's no longer with the company?</p> <p>13 A. That's correct.</p> <p>14 Q. Just real quick because I don't think you told me</p> <p>15 before, I think you mentioned Mr. Goucher was on the board</p> <p>16 at certain times, but what was Mr. Goucher's position at</p> <p>17 the company before he retired?</p> <p>18 A. Bill Goucher was never on the board.</p> <p>19 Bill Goucher was president of the egg products division of</p> <p>20 Michael Foods.</p> <p>21 Q. Thank you for correcting that. I appreciate it.</p> <p>22 Okay. And so the subject here is the UEP animal welfare</p> <p>23 meeting and Mr. Bebee writes, this message is the feedback</p> <p>24 from the UEP animal welfare committee meeting held on</p> <p>25 Tuesday the 26th. As you might expect, I was one of the</p>	<p style="text-align: right;">Page 53</p> <p>1 companies have signed on nearly 110 million birds, passed</p> <p>2 a motion saying that an entire company would have to be</p> <p>3 certified just part -- not just part or certain complexes.</p> <p>4 Pass the motion that states that if a marketing or</p> <p>5 processing company has commitments or contracts with</p> <p>6 producers, those producers would all have to be part of</p> <p>7 the program and be certified. And then it continues on.</p> <p>8 Do you see that?</p> <p>9 A. Yes.</p> <p>10 Q. Okay. Skipping down just a moment, it references</p> <p>11 FMI. Do you see that?</p> <p>12 A. Yes.</p> <p>13 Q. Do you have an understanding about what FMI is?</p> <p>14 A. Food Marketing Institute.</p> <p>15 Q. What is the Food Marketing Institute?</p> <p>16 A. They are the representative industry group for</p> <p>17 retail grocery companies like Kroger or Safeway.</p> <p>18 Q. Okay. And then he concludes the e-mail by saying</p> <p>19 it was an interesting meeting to say the least. Do you</p> <p>20 see that?</p> <p>21 A. Yes.</p> <p>22 Q. Okay. You then responded on Monday April 1st,</p> <p>23 2002, with an e-mail to Mr. Bebee and Mr. Goucher. Do you</p> <p>24 see that?</p> <p>25 A. Yes.</p>

14 (Pages 50 - 53)



## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 54</p> <p>1 Q. Okay. And, again, the subject is the UEP animal 2 welfare meeting; right? And you say, this will be an 3 interesting movie to watch from the sideline as we aren't 4 affected until a Crystal Farms customer pushes us and that 5 realistically -- that realistically would have to be CUB 6 row SV. 7 Do you see that? 8 A. Yes. 9 Q. Okay. Food service would be customer by 10 customer, keep us posted, Tim; right? 11 A. Yes. 12 Q. Okay. First what is -- what does CUB row SV 13 mean? 14 A. That should say CUB or SV. 15 Q. Okay. What does that mean? 16 A. Cub or Super Value. Cub foods and Super Value 17 are two retail customers of Michael Foods. 18 Q. Okay. 19 A. Both headquartered in the Twin Cities of 20 Minnesota. 21 Q. Okay. Do you have an understanding as to why you 22 wrote, this will be an interesting movie to watch from the 23 sideline? 24 A. Yes. 25 Q. Why did you say that?</p>	<p style="text-align: right;">Page 56</p> <p>1 Q. And is it fair to say that Michael Foods didn't 2 agree with the program and as a result didn't think it was 3 in its best interest to join the program? 4 A. We did not agree with some parts of the program, 5 and, therefore, we were not going to participate in the 6 program. 7 Q. Well, you didn't agree with the program 8 sufficiently enough to make the decision that even though 9 you may have agreed with parts of it, there was enough of 10 it that you didn't -- that you did disagree with and as a 11 result you didn't join? 12 MR. GREENE: Objection. Confusing. 13 THE WITNESS: That's right. 14 MR. GREENE: Go ahead. 15 BY MR. ARANOFF: 16 Q. I think you answered and you said that's right? 17 A. That's correct. 18 Q. And then you say at the end -- or towards the end 19 of the e-mail, food service would be customer by customer. 20 Do you see that? 21 A. Yes. 22 Q. What does that mean? 23 A. That means that before we were going to sign on 24 to any program like this, we would have to have major 25 customers of ours on the food service side of our</p>
<p style="text-align: right;">Page 55</p> <p>1 A. Because we weren't going to be a part of this 2 program. 3 Q. And when you say this program, again, we're 4 talking about the animal care -- the UEP Animal Care 5 Certified program? 6 A. Yes, that's right. 7 Q. And is it fair to say that as of April 2002 and 8 even before that, Michael Foods was not a part of the 9 Animal Care Certified program? 10 A. Yes. 11 Q. Okay. And as part of that, Michael Foods was not 12 complying with the 100 percent rule at this time; right? 13 A. That is correct. 14 Q. Okay. Do you have an understanding as to why 15 Michael Foods at this time did not join the UEP certified 16 program or animal welfare programs? 17 A. Yes. 18 Q. Okay. Why is that? 19 A. The reason we weren't part of this program is we 20 didn't agree with all the parameters of the ACC program as 21 being put forth by the United Egg Producers. 22 Q. And why was that? 23 A. We had a major issue with participation in a 24 program that was all or nothing, meaning 100 percent 25 participation or no participation.</p>	<p style="text-align: right;">Page 57</p> <p>1 business, which Michael Foods, the bulk of our business 2 was food service and egg products, so we would have had to 3 have major customers requesting Animal Care Certified eggs 4 in order for Michael Foods to revisit the topic of whether 5 or not we should or should not join Animal Care Certified 6 program by UEP. 7 Q. Okay. And so I take it from this that prior to 8 and up to and including at the very least April of 2002 9 that was the case, in other words, you didn't have 10 customers, large customers, that wanted -- that wanted the 11 certify -- the UEP certification, and as a result you saw 12 no reason to go into the certified program? 13 A. That's correct. 14 Q. You can put that document away. Okay. 15 Mr. Ostrander, I've -- the court reporter has been kind 16 enough to put in front of you a single page document bears 17 Bates number MFI 0363530, confidential. It's a one-page 18 e-mail from you to Bill Goucher dated Wednesday, April 19 9th, 2003. Give you a minute to take a look at it and 20 then ask you a couple questions. 21 A. Okay. 22 (Ostrander Exhibit Number 4, Bates number MFI 23 0363530, was marked for identification.) 24 BY MR. ARANOFF: 25 Q. The subject of the e-mail is UEP hen welfare, and</p>

15 (Pages 54 - 57)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 58</p> <p>1 it's an e-mail that you sent to Mr. Goucher and it says,  2 noted that 43 retail customers and one food service  3 customer are requiring that their eggs be certified.  4 After the UEP decision, what our next steps on AWB  5 certification and do we still have the support of Sparboe  6 and others? Let's discuss.  7 See that?  8 A. Yes.  9 Q. Okay. Do you have an understanding as you sit  10 here today as to what you meant by after the UEP decision,  11 what decision that was?  12 A. My recollection is that UEP decision was to  13 maintain all of the parameters of their ACC program,  14 meaning 100 percent of all birds on the program -- anyway,  15 the parameters of the program were to stay in place. We  16 had requested on numerous occasions, not sure when we  17 started or when that ultimately ended, but over a number  18 of different times we requested UEP to remove the  19 100 percent requirement and put it on either a bird  20 complex or a house, meaning a production house by house  21 certification.  22 At this point in time UEP had said no to all of  23 those proposals by us and others in our industry, Sparboe  24 being one of them, and so we were exploring at the time a  25 different animal well-being. And by the way, AWB is</p>	<p style="text-align: right;">Page 60</p> <p>1 governed by UEP.  2 Q. Okay. And so this e-mail reflects, does it not,  3 that, again, Michael Foods was not interested in entering  4 the UEP program as it was currently constituted as of  5 April of 2003; correct?  6 A. That is correct.  7 Q. And instead was looking at different alternatives  8 at this time to do something less than what was required  9 by the UEP; correct?  10 A. To do something different than what was  11 contemplated by UEP.  12 Q. Okay. And when you talk in this e-mail at the  13 end of the e-mail about support of Sparboe and others?  14 A. Yes.  15 Q. What were you talking about with respect to the  16 support of Sparboe and others?  17 A. There were a number of egg producers who were not  18 happy with the 100 percent rule in the UEP ACC program.  19 Q. In --  20 A. Sparboe was one of them, and there were others  21 that I probably can't name -- in fact, I'm pretty sure I  22 can't name -- that didn't like those parameters of the  23 program and were exploring setting up their own  24 certification program.  25 Q. Aside from the Ken Klippen program that we talked</p>
<p style="text-align: right;">Page 59</p> <p>1 animal well-being, it is not ACC. Animal well-being  2 certification. So while we were getting requests from  3 customers, we were getting requests for animal well-being,  4 meaning some kind of reduction in cage density, et cetera,  5 et cetera and we were exploring other options outside of  6 UEP's program.  7 Q. One of those programs would have been the Klippen  8 program; right?  9 A. That's correct.  10 Q. Okay. So that was a long answer, so let's just  11 talk about that for a second. So you made a distinction,  12 I believe, in your answer, and correct me if I'm wrong,  13 between the ACC program and the AWB program; correct?  14 A. I did.  15 Q. Okay. What in your mind is the difference  16 between -- well, withdrawn. What does ACC stand for?  17 A. Animal Care Certified.  18 Q. Okay. And AWB is animal well-being?  19 A. Yes.  20 Q. Do you have an understanding as you sit here  21 today as to what the differences are between those  22 programs?  23 A. Yeah, the animal well-being certification would  24 be a -- essentially a similar definition of cage space,  25 hen treatment, to an ACC program, but it would be not</p>	<p style="text-align: right;">Page 61</p> <p>1 about as one of the alternatives, can you think of any  2 other alternative programs that Michael Foods was looking  3 into?  4 A. Michael Foods prior to, I think, these dates, had  5 put together at the request of one of our large customers,  6 Burger King, an animal well-being program that was  7 actually had larger space in the cage than even the  8 proposed program by United Egg Producers, so we worked  9 alongside Burger King to develop an animal well-being  10 program for the flocks that produced the eggs that  11 produced -- the shell eggs that we further processed into  12 the finished product that Burger King sold through their  13 system, and I think that was done in maybe 2001 or 2002.  14 So a program that would be similar to what we custom  15 built, in effect, for Burger King.  16 Q. Right. And the reasons, just to be clear, that  17 you were looking into these alternative programs is  18 because you believe that these alternative programs would  19 have been in the best interest of Michael Foods; correct?  20 A. Michael Foods is a value added egg products  21 company, so our whole focus was to create products that  22 our customers wanted at a price point that they could  23 manage within their systems. So our animal well-being  24 initiative was really driven by the demands of our  25 customer base.</p>

16 (Pages 58 - 61)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 62</p> <p>1 Q. Right. So both Michael Foods and its customers 2 in your estimation would have been better served by 3 entering, at least at this time, either the Klippen 4 program as an alternative to the UEP or the Burger King 5 equivalent animal well-being program as opposed to 6 entering the UEP?</p> <p>7 A. No.</p> <p>8 Q. Why not?</p> <p>9 A. Customer by customer. Some customers were quite 10 satisfied with the way our eggs were being produced or 11 contracted eggs that we use to further process were being 12 produced to service their egg requirements. So, in fact, 13 the animal well-being program was a customer specific 14 program and it was higher cost to implement and, 15 therefore, a customer had to be willing to pay for that. 16 So, no, it was only based on the desire and the need of a 17 specific customer or group of customers.</p> <p>18 Q. So just to be clear, at least at this period, in 19 this period of time, and we're talking now prior to 2006, 20 you have some customers that would happy buying Michael 21 Foods products without the need for them to be either 22 certified by Ken Klippen or some alternative program; 23 right?</p> <p>24 A. That's correct.</p> <p>25 Q. And those would just buy regular Michael Foods</p>	<p style="text-align: right;">Page 64</p> <p>1 A. Yes.</p> <p>2 Q. Mr. Ostrander, the court reporter has put in 3 front of you what's been marked Ostrander 5 for purposes 4 of identification. It's a multipage document bearing 5 Bates number MFI 0614973 through MFI 0614975. It's highly 6 confidential, and it was also marked at the deposition of 7 Terry Baker. Terry Baker 8. I'll give you a minute or 8 two to look at it and then I'd like to ask you some 9 questions, please.</p> <p>10 (Ostrander Exhibit Number 5, Bates number MFI 11 0614973 through MFI 0614975, was marked for 12 identification.)</p> <p>13 THE WITNESS: Okay.</p> <p>14 BY MR. ARANOFF:</p> <p>15 Q. Okay. So this is -- the first e-mail in this 16 chain is an e-mail from Terry Baker to JD Clarkson to you 17 to O'Brien to -- sorry, to Vince O'Brien, to someone named 18 Colwell and somebody named Diane Sparish. Do you see 19 that?</p> <p>20 A. Yes.</p> <p>21 Q. With a CC to Jonathan Merkle, Hershell Ball, 22 Steve Bacon, Ronn Seim, Tim Bebee, Toby Catherman, Mark 23 Westphal, and Charles Bailey. The subject is summary of 24 UEP board meeting in Atlanta. Do you see that?</p> <p>25 A. Yes.</p>
<p style="text-align: right;">Page 63</p> <p>1 further processed products; right?</p> <p>2 A. Yes.</p> <p>3 Q. Then you have other customers that were 4 interested in some certification, animal well-being, 5 Klippen, something like that, and so for those customers 6 because that's what those customers would want, you would 7 seek to get some other kind of potential certification, 8 but it wouldn't be the UEP certification; correct?</p> <p>9 A. That is right.</p> <p>10 MR. ARANOFF: Why don't we take a five-minute 11 break.</p> <p>12 VIDEOGRAPHER: The time is 10:10 a.m. We're off 13 the record.</p> <p>14 (A break was taken.)</p> <p>15 VIDEOGRAPHER: We're on the record. The time is 16 10:26 a.m.</p> <p>17 MR. ARANOFF: Okay. Before we restart, there's a 18 lawyer that joined on the phone that wishes to make an 19 appearance, so proceed, please.</p> <p>20 MR. KENNEDY: Thanks. This is Travis Kennedy 21 from Eimer Stahl for Moark, LLC, and Norco Ranch, Inc. 22 Thank you.</p> <p>23 BY MR. ARANOFF:</p> <p>24 Q. Okay. Mr. Ostrander, welcome back and just a 25 reminder you're still under oath.</p>	<p style="text-align: right;">Page 65</p> <p>1 Q. Okay. First, who is JD Clarkson?</p> <p>2 A. JD Clarkson was at the time of this president of 3 the egg products and potato products business.</p> <p>4 Q. Okay. And who was Vince O'Brien?</p> <p>5 A. Vince O'Brien would have been the general manager 6 of -- probably general manager of our food ingredient 7 business.</p> <p>8 Q. All right. And I'm not sure what his or her 9 first name would be, Colwell?</p> <p>10 A. Pres Colwell.</p> <p>11 Q. Pres Colwell?</p> <p>12 A. I'm not exactly sure what his title was at this 13 time.</p> <p>14 Q. What about Diane Sparish?</p> <p>15 A. Diane Sparish, I believe, was the head of our 16 retail business at the time.</p> <p>17 Q. Okay. I'm sorry?</p> <p>18 A. Go ahead.</p> <p>19 Q. And Jonathan Merkle?</p> <p>20 A. Jonathan Merkle was head of research and 21 development.</p> <p>22 Q. Hershell Ball?</p> <p>23 A. Hershell Ball was our chief scientist, PhD in 24 research and development.</p> <p>25 Q. Steve Bacon?</p>

17 (Pages 62 - 65)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 66</p> <p>1 A. Steve Bacon was head of quality assurance.</p> <p>2 Q. Ron Seim?</p> <p>3 A. Seim was probably the controller for our egg</p> <p>4 products company.</p> <p>5 Q. And Tim Bebee?</p> <p>6 A. Ran our farms.</p> <p>7 Q. Toby Catherman?</p> <p>8 A. Was -- he ran procurement and the Klingerstown</p> <p>9 plant for us, procurement on the east coast.</p> <p>10 Q. Mark Westphal?</p> <p>11 A. Mark Westphal was the chief financial guy for the</p> <p>12 egg products business.</p> <p>13 Q. And Charles Bailey?</p> <p>14 A. Chuck Bailey was the head of operations for, I</p> <p>15 think, all of Michael Foods.</p> <p>16 Q. Okay. And just one quick question on</p> <p>17 Mr. Catherman. He was the head of procurement throughout</p> <p>18 his time at Michael Foods?</p> <p>19 A. No.</p> <p>20 MR. GREENE: Object.</p> <p>21 THE WITNESS: Toby Catherman was -- ran our</p> <p>22 Klingerstown, Pennsylvania plant, and Toby Catherman</p> <p>23 worked with Terry Baker in terms of egg sourcing</p> <p>24 primarily in the east coast area.</p> <p>25 BY MR. ARANOFF:</p>	<p style="text-align: right;">Page 68</p> <p>1 A. Yes.</p> <p>2 Q. Not expecting many Christmas cards next year from</p> <p>3 shell egg guys; right? Do you see that?</p> <p>4 A. Yes.</p> <p>5 Q. Okay. And then he goes on, would you agree, to</p> <p>6 provide the reasons why he voted no on the various</p> <p>7 motions. Do you see that?</p> <p>8 A. Yes.</p> <p>9 Q. All right. If you turn to the last page under</p> <p>10 the animal welfare committee received board approval for</p> <p>11 the following; right? And it says, in numbers two and</p> <p>12 three, to not issue any new or renew any existing license</p> <p>13 for the marketing of Animal Care Certified eggs. Do you</p> <p>14 see that?</p> <p>15 MR. GREENE: It continues.</p> <p>16 BY MR. ARANOFF:</p> <p>17 Q. The middle of the page -- oh, I'm sorry, to any</p> <p>18 egg producer that is not an Animal Care Certified company.</p> <p>19 You see that, it's a little awkward, it's not on the same</p> <p>20 line. Number two under the animal welfare --</p> <p>21 A. Yes, I'm trying to read it. I see it.</p> <p>22 Q. Oh, I'm sorry.</p> <p>23 A. Okay.</p> <p>24 Q. Okay. And I misread that as Mr. Greene was kind</p> <p>25 enough to point out so, so let me try it again. Number</p>
<p style="text-align: right;">Page 67</p> <p>1 Q. Okay. And those were his jobs while he's been at</p> <p>2 Michael Foods, as far as you know?</p> <p>3 A. Yes.</p> <p>4 Q. Okay. And the title of this is summary of UEP</p> <p>5 board meeting in Atlanta. Do you see that?</p> <p>6 A. Yes.</p> <p>7 Q. And this is, again from, this e-mail was written</p> <p>8 in February of '05. Do you see that?</p> <p>9 A. Yes.</p> <p>10 Q. Okay. Have you ever seen this document before,</p> <p>11 Mr. Ostrander, other than when you received -- when you</p> <p>12 replied to it in '08?</p> <p>13 A. I saw it yesterday.</p> <p>14 Q. Okay. And did you attend this UEP board meeting</p> <p>15 in Atlanta?</p> <p>16 A. I did not.</p> <p>17 Q. All right. You see what the e-mail says, I'm not</p> <p>18 going to read the whole thing into the record, but at the</p> <p>19 UEP board meeting in Atlanta on January 25th there were</p> <p>20 several motions coming out of subcommittees approving</p> <p>21 during this meeting related to animal welfare issues, do</p> <p>22 you see that?</p> <p>23 A. Yes.</p> <p>24 Q. And then Mr. Baker is saying, I voted no on these</p> <p>25 motions?</p>	<p style="text-align: right;">Page 69</p> <p>1 two under the animal welfare committee received board</p> <p>2 approval for the following said, to not issue any new or</p> <p>3 renew any existing license for the marketing of Animal</p> <p>4 Care Certified eggs to any egg producer that is not an</p> <p>5 Animal Care Certified company. Do you see this?</p> <p>6 A. Yes, I see that.</p> <p>7 Q. Okay. And then number three says, UEP may issue</p> <p>8 a license to market Animal Care Certified eggs to shell</p> <p>9 egg processors or further egg processors that do not own</p> <p>10 or operate egg production facilities.</p> <p>11 Do you see that?</p> <p>12 A. Yes.</p> <p>13 Q. So when Mr. -- was it your understanding that</p> <p>14 when Mr. Baker sent this and talked about the motions that</p> <p>15 he voted no on that these were part of those motions?</p> <p>16 A. Yes.</p> <p>17 Q. Okay. And then a day later on February 8th,</p> <p>18 2005, you wrote an e-mail responding to Mr. Baker, which</p> <p>19 copied all of the same folks that were on the original</p> <p>20 e-mail; correct?</p> <p>21 A. Yes.</p> <p>22 Q. Okay. And it says, Terry, I'm concerned over the</p> <p>23 possibility that a competitor such as SF or ConAg would</p> <p>24 market their products as in compliance with ACC and we</p> <p>25 could not do the same.</p>

18 (Pages 66 - 69)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 70</p> <p>1 Do you see that?</p> <p>2 A. Yes.</p> <p>3 Q. Okay. So the first thing I would like to ask is,</p> <p>4 SF is Sunny Fresh; correct?</p> <p>5 A. Yes.</p> <p>6 Q. And ConAg would be ConAgra?</p> <p>7 A. Yes.</p> <p>8 Q. And ACC would be Animal Care Certified; right?</p> <p>9 A. Under UEP, yes.</p> <p>10 Q. Well, I take it that's what you meant there, but</p> <p>11 it doesn't say under UEP here, does it?</p> <p>12 A. ACC, I'm clarifying, ACC, in my mind, is UEP's</p> <p>13 ACC program.</p> <p>14 Q. Fair enough. And then it says it sounds like a</p> <p>15 potential legal issue that we would want to pursue if we</p> <p>16 cannot get UEP to reconsider this motion.</p> <p>17 Do you see that?</p> <p>18 A. Yes.</p> <p>19 Q. Okay. What legal issue do you think was</p> <p>20 implicated by what Mr. Baker had sent you?</p> <p>21 MR. GREENE: And, Mr. Ostrander, I'm going to</p> <p>22 allow you to answer the question, but I just want to</p> <p>23 caution in answering the question, please don't reveal</p> <p>24 any communications you may have had with counsel.</p> <p>25 THE WITNESS: Okay. To me this was an issue of,</p>	<p style="text-align: right;">Page 72</p> <p>1 was some legal issue here and so you sought the advice of</p> <p>2 counsel?</p> <p>3 A. Yes.</p> <p>4 Q. Okay.</p> <p>5 A. I had somebody seek advice of counsel. I didn't</p> <p>6 personally do that.</p> <p>7 Q. Okay. Do you have a recollection as you sit here</p> <p>8 today as to who did that?</p> <p>9 A. I don't.</p> <p>10 Q. Do you know who you tasked with that job?</p> <p>11 A. I don't.</p> <p>12 Q. Okay. Do you know which counsel was -- advice</p> <p>13 was solicited as a result of this?</p> <p>14 A. I don't.</p> <p>15 Q. Okay. This is in February of 2005?</p> <p>16 A. Okay.</p> <p>17 Q. Was Ms. Wolski the general counsel at the time?</p> <p>18 A. She was not.</p> <p>19 Q. Okay.</p> <p>20 A. So if we checked, and this sounds like a</p> <p>21 potential legal issue which we would want to pursue,</p> <p>22 assuming somebody did that, and I don't make any</p> <p>23 assumptions here, they would have spoken to Leonard</p> <p>24 Street, which would have been our outside counsel.</p> <p>25 Q. And at that time was -- again, without telling me</p>
<p style="text-align: right;">Page 71</p> <p>1 I forget the legal definition, but my definition of a</p> <p>2 restrain to trade insofar as Sunny Fresh who does not</p> <p>3 own any flocks and ConAgra who does not own any flocks</p> <p>4 could buy Animal Care Certified liquid, further</p> <p>5 process it into Egg Beaters, which is a strong branded</p> <p>6 retail egg substitute product and Sunny Fresh could do</p> <p>7 the same and use the Animal Care Certified UEP logo on</p> <p>8 their package, and Michael Foods because we are not on</p> <p>9 the UEP ACC program could not do the same, and,</p> <p>10 therefore, I would be at a competitive disadvantage to</p> <p>11 Sunny Fresh and to ConAgra.</p> <p>12 BY MR. ARANOFF:</p> <p>13 Q. Okay. And as a result of having received this</p> <p>14 e-mail from Mr. Baker and having reached the conclusion</p> <p>15 that you did in this e-mail, did you seek -- don't tell me</p> <p>16 what the advice of counsel was, but did you seek the</p> <p>17 advice of counsel because of this?</p> <p>18 A. I believe we did.</p> <p>19 Q. Okay. And in so doing, did you do so in</p> <p>20 compliance with the Michael Foods policy that we talked</p> <p>21 about earlier as Ostrander I, which was the conduct</p> <p>22 policy, I can put it in front of you again.</p> <p>23 A. I would not have made that inquiry based on that</p> <p>24 policy.</p> <p>25 Q. You made it independently, you thought that there</p>	<p style="text-align: right;">Page 73</p> <p>1 what was discussed, was Mr. Greene the contact person</p> <p>2 there at the time?</p> <p>3 A. He would not have been.</p> <p>4 Q. It would have been somebody else?</p> <p>5 A. Yes.</p> <p>6 Q. Either Ms. Wolski; right?</p> <p>7 A. No, it would not have been Wolski, it would have</p> <p>8 been Woodward.</p> <p>9 Q. Woodward? Okay. So if anybody was spoken to</p> <p>10 about this issue, it would have been spoken to with</p> <p>11 Mr. Woodward; correct?</p> <p>12 A. Yes.</p> <p>13 Q. Did you do any follow-up after sending this</p> <p>14 e-mail to find out if anybody had actually reached out to</p> <p>15 counsel about this?</p> <p>16 A. Not that I recall.</p> <p>17 Q. Did you get any feedback as to what the result of</p> <p>18 that inquiry was from anybody?</p> <p>19 A. Again, not that I recall. It's a long time ago.</p> <p>20 Q. Okay. So -- but you're not ruling out the</p> <p>21 possibility that an inquiry was made?</p> <p>22 A. I don't recall.</p> <p>23 Q. Do you know whether or not any steps were taken</p> <p>24 in furtherance of protecting Michael Foods' competitive</p> <p>25 advantage as you saw it as a result of your e-mail?</p>

19 (Pages 70 - 73)



## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 74</p> <p>1 A. I don't recall what came out of this.</p> <p>2 Q. Okay. And you don't recall any specific</p> <p>3 follow-up?</p> <p>4 A. No.</p> <p>5 Q. Skipping down a couple of lines, it says, this</p> <p>6 seems to me to be a situation where we can be singled out</p> <p>7 by our own industry trade group. Do you see that?</p> <p>8 A. Yes.</p> <p>9 Q. What did you mean when you said that?</p> <p>10 A. This is a situation where if UEP, which is the</p> <p>11 industry trade group for egg producers chose to and we</p> <p>12 weren't participating, my concern was that UEP could say</p> <p>13 that, you know, Michael Foods is not participating in the</p> <p>14 UEP ACC program.</p> <p>15 Q. And what was your concern as a result of what UEP</p> <p>16 would say?</p> <p>17 A. Publicity and optics by our customers.</p> <p>18 Q. And, in fact, you said if it gets publicity, it</p> <p>19 could also bring substantial reaction from the folks at</p> <p>20 PETA and other radical animal welfare groups?</p> <p>21 A. Absolutely.</p> <p>22 Q. And that's what you believed at the time?</p> <p>23 A. Absolutely -- I still believe that.</p> <p>24 Q. Okay. We should get it together with counsel and</p> <p>25 determine what legal grounds we have to fight this</p>	<p style="text-align: right;">Page 76</p> <p>1 alternative animal well-being program with Sparboe and</p> <p>2 other egg industry participants, egg producers, outside of</p> <p>3 the UEP ACC program.</p> <p>4 Q. Did this -- did this legal issue have anything at</p> <p>5 all to do with -- you mentioned earlier that you had had a</p> <p>6 lawsuit with Sunny Fresh with respect to a patent issue</p> <p>7 earlier; right? This didn't have anything to do with</p> <p>8 that, did it?</p> <p>9 A. No.</p> <p>10 Q. Okay. And you don't know whether any litigation</p> <p>11 of any sort was commenced as a result of this e-mail in</p> <p>12 any part?</p> <p>13 A. There was none.</p> <p>14 Q. So I guess the conclusion ended up, correct me if</p> <p>15 I'm wrong, that Michael Foods took no action, at least at</p> <p>16 that time, with respect to this; correct?</p> <p>17 A. I don't recall.</p> <p>18 Q. Do you know who at the company would be in a</p> <p>19 better position to recall whether or not there was any</p> <p>20 legal action taken or legal advice sought with respect to</p> <p>21 the contents of this e-mail?</p> <p>22 A. Most of these people worked for JD Clarkson, so</p> <p>23 my guess is JD Clarkson, unfortunately he's no longer on</p> <p>24 this earth but, so most of these people work for JD.</p> <p>25 Q. So it would be your guess that if somebody knew</p>
<p style="text-align: right;">Page 75</p> <p>1 resolution in terms of restraint of trade or some other</p> <p>2 avenue that would give us equal access to ACC for those</p> <p>3 customers of our who request us to provide and certify</p> <p>4 eggs that are ACC. Your thoughts?</p> <p>5 Do you see that?</p> <p>6 A. Yes.</p> <p>7 Q. Okay. Again, with respect to this portion of the</p> <p>8 e-mail, do you recall whether or not you sought legal</p> <p>9 advice with respect to this issue?</p> <p>10 A. I personally did not based on this direction.</p> <p>11 Somebody probably did, but I don't remember who and I</p> <p>12 certainly don't remember any follow-on dialogue or</p> <p>13 discussion as to the outcome of that.</p> <p>14 Q. Did you discuss any of your concerns with this</p> <p>15 potential restraint of trade issue with anybody else</p> <p>16 outside the company?</p> <p>17 A. Not that I recall, no.</p> <p>18 Q. Okay. You didn't discuss this with Sparboe?</p> <p>19 A. This specifically? No.</p> <p>20 Q. Well, how about generally? Did you discuss the</p> <p>21 issue of the ACC program under the UEP as you just</p> <p>22 clarified a minute ago and the potential anticompetitive</p> <p>23 issues with anyone at Sparboe?</p> <p>24 A. I'll go on the record, which is already on the</p> <p>25 record, that Sparboe and Michael Foods were discussing an</p>	<p style="text-align: right;">Page 77</p> <p>1 about this, it would be one of them?</p> <p>2 A. I would assume so.</p> <p>3 Q. Okay. Do you know an individual named Gary</p> <p>4 Pickett?</p> <p>5 A. No.</p> <p>6 Q. Okay. What about somebody named Betty Marshall?</p> <p>7 A. No.</p> <p>8 Q. Okay. Okay. Mr. Ostrander, I'm showing you</p> <p>9 what's been marked Ostrander 6 for purposes of</p> <p>10 identification.</p> <p>11 (Ostrander Exhibit Number 6, Multipage Document</p> <p>12 MFC 00013029_0002 to 0004, was marked for</p> <p>13 identification.)</p> <p>14 BY MR. ARANOFF:</p> <p>15 Q. This is a multipage document bearing Bates number</p> <p>16 MFC 00013029 and then it continues MFC 00013029 underscore</p> <p>17 0002. It's also Bates number MFI 0611468 and that</p> <p>18 continues sequentially to MFC 00013029 underscore 0004</p> <p>19 which also is MFI 0611470. I'll give you a minute to take</p> <p>20 a look at it and then I'd like to ask you some questions.</p> <p>21 A. Okay.</p> <p>22 Q. All right. I noticed while you were looking at</p> <p>23 the document, Mr. Ostrander, you had a big smile on your</p> <p>24 face. Why are you smiling? Other than the fact that</p> <p>25 we're in lovely Naples?</p>

20 (Pages 74 - 77)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 78</p> <p>1 A. No, we're happy to be here. No, the reference in  2 Wal-Mart saying we're just a big guy in the business and  3 my other reference was that their buyer said that, quote,  4 I never said that UEP advised them to make any of these  5 comments.  6 Q. All right. Well, let's take a look at the  7 document. First, you'll see that starting -- the document  8 kind of starts from the back, so if you'll look at the  9 last three pages of the document, it's an e-mail from Beth  10 Schnell to Greg Murch, Wayne Carlson, Cathy Dean, John  11 Mueller, Ross Sharp, Ken Zachman, Wendy Hamm, Anita  12 Westdal, Brian Joyner, with a CC to Bob Schnell. The  13 subject is Wal-Mart/Sam's summary. And it's dated  14 November 8th, 2005. Do you see that?  15 A. Yes.  16 Q. Okay. Do you recall ever having seen this e-mail  17 before?  18 MR. GREENE: Object to the question as formed.  19 If you can exclude conversations with counsel and ask  20 him otherwise, I won't object to it.  21 MR. ARANOFF: Oh, okay.  22 BY MR. ARANOFF:  23 Q. So I'm not interested if you saw this with  24 counsel. I'm just asking whether you've ever seen this  25 document before?</p>	<p style="text-align: right;">Page 80</p> <p>1 A. Yes, it does, but, again, I've never met Betty.  2 Q. And just for the record, Gary Pickett is the  3 category manager of Wal-Mart and this document says  4 introduction meeting, 10/8/05. This is -- at least  5 Mr. Pickett was the category manager of Wal-Mart  6 apparently as of Tuesday, November 8th, 2005.  7 Ms. Marshall during the same period appears to be the vice  8 president of Sam's Club; is that right, Mr. Ostrander?  9 A. That's what the document says.  10 Q. Okay. Do you recall having seen this document  11 back in 2005?  12 A. As I read it, yes.  13 Q. Okay. And you'll see that if we start from the  14 back with respect to the meeting with Betty Marshall, the  15 vice president of Sam's Club, the e-mail from Ms. Schnell  16 says we had an hour meeting with Betty and our buyer  17 Michelle. Again, it was evident that the tone was  18 somewhat tense with the buyer who was previously quite  19 friendly on calls. These women are also quite schooled on  20 the UEP program and are intensely commitment to using the  21 seal.  22 Do you see that?  23 A. Yes.  24 Q. Pardon me. And then it says, in summary -- if we  25 skip down -- their militant commitment to the UEP ACC</p>
<p style="text-align: right;">Page 79</p> <p>1 A. Yes.  2 Q. Okay. When is the last time you saw it?  3 A. I saw it yesterday.  4 Q. Okay. So you've seen this document before. Do  5 you recall the events categorized in the document --  6 A. By the way, I would like to clarify it. I saw  7 this in November of '05 as well.  8 Q. As well?  9 A. Yes.  10 Q. Okay. Great. Thank you. But you see this  11 document and does this -- well, withdrawn.  12 You know who Beth Schnell is; right?  13 A. Yes.  14 Q. And she's at Sparboe?  15 A. Yes.  16 Q. Okay. And when I asked you earlier about Gary  17 Pickett, does this refresh your recollection as to who  18 Mr. Pickett is?  19 A. It does, but I've never met Gary Pickett.  20 Q. Okay. I just wanted to know if you had ever  21 heard his name. And if you turn to the next page, Betty  22 Marshall, do you see her in the middle of the page?  23 A. (Witness nodded head.)  24 Q. Okay. Does this refresh your recollection as to  25 who she is?</p>	<p style="text-align: right;">Page 81</p> <p>1 mission and use of the logo is totally bizarre. I have  2 never witnessed a customer with such devotion to a program  3 without willingness of the company/buyer to consider the  4 economic impact, consumer demand, or potentially negative  5 political ramifications from such commitment. The program  6 cost to Wal-Mart and their producers this year is  7 \$12 million, just on shelled eggs, exclamation point.  8 Apparently this decision was made without any market  9 research to justify the cost. In fact, they seem to turn  10 their heads from the study that indicates merely five  11 percent of consumers were aware of the program. When we  12 pointed this out to Gary, he said the egg industry will  13 need to do a better job of marketing the program to the  14 consumers. Do you think he has been talking to UEP?  15 Do you see that?  16 A. Yes.  17 Q. Okay. Do you have an understanding of what  18 Ms. Schnell was discussing in the portion that I just  19 read?  20 A. I have an understanding of what she's talking  21 about, yes.  22 Q. And what is she saying?  23 A. She is saying that she had a conversation  24 regarding their shell egg business with Sam's Club and the  25 desire by Sam's Club to be on the UEP ACC program.</p>

21 (Pages 78 - 81)



## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 82</p> <p>1 Q. Okay. And you see after that there's also a 2 summary of the meeting that Ms. Schnell had with Gary 3 Pickett of Wal-Mart; correct? 4 A. Is that Gary Pickett or Betty Marshall? 5 Q. No, the next e-mail ahead. 6 A. Oh. 7 Q. You see it's the next page ahead? 8 A. Okay. 9 Q. Do you see Gary Pickett? 10 A. Okay. 11 Q. All right. And in pertinent part it talks about, 12 it says, below are my notes from the two-hour meeting, 13 skip a paragraph it says -- actually, don't skip a 14 paragraph, it says next, Gary is extremely conversant to 15 the UEP ACC program, he claims he has a great deal of 16 information on the cost, production process, et cetera. 17 At one time he said there wasn't any additional cost to 18 them. Later when I questioned him, he admitted that there 19 was a cost, but it was a small price versus the problems 20 of having media or consumer troubles. 21 Do you see that? 22 A. Yes. 23 Q. Okay. He consistently spoke of the use of the 24 seal, rather the integrity of the production methods. Do 25 you see that?</p>	<p style="text-align: right;">Page 84</p> <p>1 Q. So that was sent to you two days after 2 Ms. Schnell purportedly drafted this; correct? 3 A. I assume so. 4 Q. Okay. And you have no reason to believe you 5 didn't get it; right? 6 A. Oh, I got it, yeah, I got the memo. 7 Q. Okay. And so -- and so at some point I would 8 assume in November of 2005 you did read this; right? 9 A. Presumably November 10th I read it. 10 Q. Okay. And did you understand what Ms. Schnell 11 meant when she wrote this? 12 MR. GREENE: Objection to the form. 13 BY MR. ARANOFF: 14 Q. Well, you have an understanding of the 15 information that's contained in here; right? 16 A. I can certainly read the memo and understand what 17 she is summarizing. 18 Q. Okay. And I guess then you then sent an e-mail 19 on November 10th, 2005, at 6:12 p.m. Do you see that? 20 A. Yeah. 21 Q. To a number of people -- to a number of employees 22 at Michael Foods; right? 23 A. Yes. 24 Q. Okay. And you say, you forward the Wal-Mart 25 Sam's summary, and you say in confidence per Bet Sparboe,</p>
<p style="text-align: right;">Page 83</p> <p>1 A. Yes. 2 Q. Okay. Did you have an understanding as to what 3 Ms. Schnell meant when she summarized the meeting with 4 Mr. Pickett of Wal-Mart? 5 A. Yeah, but I should be clear here. This memo was 6 not to me; this was to her people. 7 Q. Fair point. 8 A. Her company. 9 Q. But you understand this; right? 10 A. I understand what she is saying. 11 Q. Okay. And what did -- 12 A. Don't ask me to interpret what she's saying. 13 Q. Okay. 14 A. Because I don't know. 15 Q. Okay. But it's interesting that you note that 16 because then -- we can come back to this, but then Greg 17 Murch of Sparboe -- 18 A. Yes. 19 Q. -- forwards this e-mail to you. Do you see that? 20 A. Yes. 21 Q. It says, Greg, Beth Schnell asked that I forward 22 this on to you, I believe that she is planning on visiting 23 with you about this later this afternoon, Greg Murch. 24 Do you see that? 25 A. Yes.</p>	<p style="text-align: right;">Page 85</p> <p>1 but I think we can agree that's Beth Sparboe; correct? 2 A. Yes, we can agree to that. 3 Q. And she says, please read this summary of Beth's 4 meeting at Wal-Mart and Sam's Club regarding the UEP ACC 5 seal. It could touch our lives in the areas of liquid ESL 6 or SSL sold to Wal-Mart, Better N Eggs sold to Wal-Mart, 7 and dry eggs used in their baking applications. They are 8 clearly being schooled and cajoled by the UEP to strongly 9 support this initiative. It looks like this is getting 10 significant top-of-the-house involvement and near term 11 action by Wal-Mart, not sure why. 12 Okay? You see that? 13 A. Yes. 14 Q. Okay. And then the e-mail continues. Should we 15 think about keeping a low profile on this -- 16 MR. GREENE: Well, just for the record, you're 17 skipping some -- 18 MR. ARANOFF: Yeah. 19 MR. GREENE: -- and reading another portion of 20 the e-mail. 21 MR. ARANOFF: Sorry. I thought I said that. I'm 22 skipping down a bit where it says, should we think 23 about keeping a low profile on this by staying away 24 from any concerted effort by UEP to discredit us with 25 customers by remaining members and just not going</p>

22 (Pages 82 - 85)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 86</p> <p>1 ahead with participating in the ACC program. Sounds</p> <p>2 to me like UEP is taking a very aggressive and</p> <p>3 negative campaign to the street about Sparboe dropping</p> <p>4 out of the program. We cannot control what they do</p> <p>5 and say. To my knowledge so far, they have not been</p> <p>6 out trying to bad mouth MFI -- which is Michael Foods</p> <p>7 incorporated; right?</p> <p>8 THE WITNESS: Yes.</p> <p>9 BY MR. ARANOFF:</p> <p>10 Q. -- in the industry, but maybe this is just a</p> <p>11 matter of time anyway. Please review and JD and I will</p> <p>12 set up a call to further discuss our next steps. Please</p> <p>13 do not discuss this memo outside of this group or with</p> <p>14 anyone from Sparboe. Thanks.</p> <p>15 Do you see that?</p> <p>16 A. Yes.</p> <p>17 Q. Okay. And I read that -- the portions I read I</p> <p>18 read correctly; right?</p> <p>19 A. You did.</p> <p>20 Q. Okay. Now, is it fair to say that what I just</p> <p>21 read represents your thought about the memo after having</p> <p>22 read it and having it been forwarded to you by Mr. Murch?</p> <p>23 A. Yes.</p> <p>24 Q. Okay. Just so we're clear, what are liquid ESL?</p> <p>25 A. Liquid is liquid whole egg, extended shelf life.</p>	<p style="text-align: right;">Page 88</p> <p>1 Q. And is it fair to say that as a result of</p> <p>2 learning that, you had concerns at least at this point in</p> <p>3 time that the UEP may take the same course of conduct with</p> <p>4 respect to Michael Foods?</p> <p>5 A. That is right.</p> <p>6 Q. Now, you say at the end of the e-mail, please</p> <p>7 review and JV and I will set up a call to further discuss</p> <p>8 our next steps. So you wanted to review and discuss this</p> <p>9 with the rest of the members of the Michael Foods team;</p> <p>10 correct?</p> <p>11 A. Yes.</p> <p>12 Q. All right. Please do not discuss this memo</p> <p>13 outside of this group or with anyone from Sparboe.</p> <p>14 Do you see that?</p> <p>15 A. Yes.</p> <p>16 Q. Why did you say that?</p> <p>17 A. I said that because Beth Sparboe gave me this</p> <p>18 information in confidence. So I kept it in the very small</p> <p>19 group of my executive team.</p> <p>20 Q. Do you recall, Mr. Ostrander, as you sit here</p> <p>21 today yourself having had any discussions with Beth</p> <p>22 Schnell with respect to the contents of this e-mail?</p> <p>23 A. I'm sorry. Let me understand your question. Are</p> <p>24 you saying did I discuss the information that Beth sent to</p> <p>25 me in person or on the phone?</p>
<p style="text-align: right;">Page 87</p> <p>1 SSL is short shelf life, liquid whole egg.</p> <p>2 Q. Okay. And is it fair to say that at least from</p> <p>3 your e-mail that the UEP was pressuring Sparboe at least</p> <p>4 at this point to join the UEP certified program?</p> <p>5 MR. GREENE: Objection. Lack of foundation.</p> <p>6 THE WITNESS: My interpretation was that based on</p> <p>7 reading this again and getting current with this is</p> <p>8 that Sparboe dropped out of the UEP program, and to be</p> <p>9 honest with you, I don't remember what Sparboe did.</p> <p>10 My belief is that UEP was putting a lot of pressure on</p> <p>11 Sparboe to be a part of the ACC program and they were</p> <p>12 going to customers with that pressure.</p> <p>13 BY MR. ARANOFF:</p> <p>14 Q. When you say they were going to customers?</p> <p>15 A. Meaning the United Egg Producers.</p> <p>16 Q. Were going to Sparboe's customers?</p> <p>17 A. Well, specifically Sam's Club and Wal-Mart.</p> <p>18 Q. Right. Because they had dropped out of the</p> <p>19 program?</p> <p>20 A. I don't know that.</p> <p>21 Q. Okay. But you had discussions with Ms. Schnell</p> <p>22 about this issue; right?</p> <p>23 A. About her belief that UEP had gone to Wal-Mart</p> <p>24 and Sam's Club to try and put pressure on them to put</p> <p>25 pressure on Sparboe to join the ACC program.</p>	<p style="text-align: right;">Page 89</p> <p>1 Q. Let me rephrase.</p> <p>2 A. I'm unclear.</p> <p>3 Q. You got -- Beth Schnell -- and you can correct me</p> <p>4 at any point I'm wrong -- Beth Schnell wrote this summary</p> <p>5 of the meetings with Gary Pickett and Betty Marshall of</p> <p>6 Wal-Mart and Sam's specifically. That summary got</p> <p>7 forwarded to you by Greg Murch?</p> <p>8 A. Yes.</p> <p>9 Q. You read it; right?</p> <p>10 A. Yes.</p> <p>11 Q. You formulated an opinion on it; right?</p> <p>12 A. Yes.</p> <p>13 Q. You then went ahead and drafted your e-mail on</p> <p>14 the subject to your team at Michael Foods; correct?</p> <p>15 A. Yes.</p> <p>16 Q. Okay. My question is, at any point in time did</p> <p>17 you -- by any means, e-mail, phone, in-person meeting, did</p> <p>18 you discuss this -- the Wal-Mart Sam's summary and the UEP</p> <p>19 pressure with respect to them with Beth Schnell of</p> <p>20 Sparboe?</p> <p>21 A. This memo says that Beth was going to call me.</p> <p>22 Q. Okay.</p> <p>23 A. So my assumption is we met and discussed the</p> <p>24 summary that she sent to me or either talked on the phone,</p> <p>25 but I don't recall that meeting.</p>

23 (Pages 86 - 89)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 90</p> <p>1 Q. Okay. Do you know as you sit here today whether 2 or not the concerns that you identified about the pressure 3 that UEP was putting on Sparboe's customers -- well, 4 withdrawn. 5 Did you share -- do you recall having a 6 conversation with Beth Schnell where you discussed the 7 common theme of UEP putting pressure on Sparboe's 8 customers as well as the potential for them doing the same 9 to Michael Foods' customers? 10 A. I don't specifically recall a discussion with 11 Beth about that. The response that I sent to my team 12 would have been sent just to my team. 13 Q. And are you aware whether or not any of the folks 14 on your team had discussions with Beth Schnell with 15 respect to the contents of this e-mail? 16 A. I don't know that, but they were asked in my memo 17 not to discuss it with Sparboe. 18 Q. And you would -- 19 A. I would assume that they wouldn't do that. I'd 20 fire their ass. 21 Q. Duly noted. Do you know a guy named Gary 22 Stoller? 23 A. No. 24 (A discussion was held off the record.) 25 BY MR. ARANOFF:</p>	<p style="text-align: right;">Page 92</p> <p>1 A. Okay. 2 Q. Okay. So if we look at Ostrander 8, and really 3 the purpose of Ostrander 7 was to see if it refreshes your 4 recollection at all, this series of e-mails, Ostrander 8, 5 if you look at the top of the second page, it's an e-mail 6 that was sent from you to JD Clarkson and Vince O'Brien 7 and Diane Sparish and Michael Elliott and Terry Baker, the 8 subject is Stoller Farms letter and says -- this is from 9 November 11th of 2005. It says, Gary Stoller said it well 10 as it relays to our industry's ability to compete on a 11 global scale in the years to come if we bend to the 12 pressure of the PETA and the ALF and Humane Society. 13 Unfortunately our leadership at UEP is heading in exactly 14 that direction. Terry, did this ever get an audience at 15 the UEP meeting back in October? 16 Do you see that? 17 A. Yes. 18 Q. Okay. Do you have any understanding, I mean, you 19 said you didn't, but my question is, do you have an 20 understanding of what this Gary Stoller letter is and what 21 it was referring to? 22 A. I'd have to read the letter again to refresh 23 myself. 24 Q. Okay. 25 A. This would indicate that I read it.</p>
<p style="text-align: right;">Page 91</p> <p>1 Q. Mr. Ostrander, I put in front of you what's been 2 marked Ostrander 7 for purposes of identification. It's a 3 multipage document. I'm not going to read both Bates 4 numbers because it's actually confusing so I'll just use 5 of one of them, MFI 0101958 to MFI 0101961 -- I'm sorry, 6 962 -- I'm sorry, 962, correct. 7 (Ostrander Exhibit Number 7, MFI 0101958 to MFI 8 0101962, was marked for identification.) 9 BY MR. ARANOFF: 10 Q. It's a continuous e-mail. And also in front of 11 you to read in conjunction with that is Ostrander 8, which 12 is a multipage, two-page e-mail bearing bathes number MFI 13 0611698 to MFI 0611699. I think if you read Ostrander 7 14 and then go to Ostrander 8, it will give you appropriate 15 context for yourself. Okay? 16 A. Okay. If I've ever seen the Stoller document, 17 it's not familiar, so if you are going to ask me questions 18 about it, I need to read it. 19 (Ostrander Exhibit Number 8, MFI 0611698 to MFI 20 0611699, was marked for identification.) 21 BY MR. ARANOFF: 22 Q. Okay. Well, let's see what we can do beforehand, 23 but I wanted to be courteous enough to give you the 24 underlying document in case it was necessary to refresh 25 your recollection. Okay?</p>	<p style="text-align: right;">Page 93</p> <p>1 Q. It's a short letter, if you can just take a quick 2 read through it. 3 MR. GREENE: There are actually two letters. Do 4 you want him to read both of them? 5 MR. ARANOFF: Yeah, you can read both of them for 6 purposes of background. 7 THE WITNESS: There are two in here. 8 BY MR. ARANOFF: 9 Q. Yes. 10 A. Should I read one first and then the other? 11 Q. Yes, please. 12 A. I'm a slow reader so this could take a while. I 13 read the Stoller, okay. 14 Q. Okay. Do you have an understanding -- well, 15 withdrawn. 16 Does this refresh your recollection as to what 17 Mr. Stoller was conveying in these letters? 18 A. Yes. 19 Q. Okay. And what is your understanding of what he 20 was conveying in these letters? 21 A. What he's asking is for the board of UEP to 22 reconsider putting a moratorium on any further expansion 23 of the ACC program. 24 Q. Okay. And you received this letter at some point 25 in time; correct?</p>

24 (Pages 90 - 93)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 94</p> <p>1 A. Apparently I did, yes.</p> <p>2 Q. Okay. And so in response you wrote in November</p> <p>3 of 2005 what I read into the record before, which is Gary</p> <p>4 Stoller said it well as it relates to our industry's</p> <p>5 ability to compete on a global scale in the years to come</p> <p>6 if we bend to the pressure of PETA and the ALF and the</p> <p>7 Humane Society. Unfortunately our leadership at UEP is</p> <p>8 heading in exactly that direction. Terry, did this ever</p> <p>9 get an audience at the UEP meeting back in October.</p> <p>10 Do you see that?</p> <p>11 A. Yes.</p> <p>12 Q. Okay. And is it fair to say that you agreed at</p> <p>13 the time with what Mr. Stoller had said in his letters?</p> <p>14 MR. GREENE: Objection to the form. Go ahead.</p> <p>15 THE WITNESS: What I am concerned about is that</p> <p>16 People For the Ethical Treatment of Animals, the</p> <p>17 Animal Liberation Front and the Humane Society were</p> <p>18 putting significant pressure on egg producers to</p> <p>19 essentially stop any kind of cage production of eggs</p> <p>20 and that should we get to that point, our industry,</p> <p>21 meaning the egg producers industry, would be</p> <p>22 uncompetitive in the marketplace.</p> <p>23 BY MR. ARANOFF:</p> <p>24 Q. Okay. And why did you come to that conclusion?</p> <p>25 A. Because the cost to produce an egg in a cage free</p>	<p style="text-align: right;">Page 96</p> <p>1 conduct as it related to pressuring Sparboe's customers in</p> <p>2 the line with what we talked about with Sam's Club and</p> <p>3 Wal-Mart?</p> <p>4 A. I think this would be a fair assessment of a</p> <p>5 building momentum in the egg producing world that says --</p> <p>6 how do I want to say this? That whether it's UEP, ACC, or</p> <p>7 customers or whatever is that we're seeing more and more</p> <p>8 whether it was started with Burger King, it started with,</p> <p>9 you know, Wal-Mart, or all of these customers saying</p> <p>10 they're getting a lot of pressure, they have animal rights</p> <p>11 activists picketing outside of their doors. Now, whether</p> <p>12 it's Burger King or Wal-Mart or any of these customers,</p> <p>13 and the animal rights activists are starting to dictate</p> <p>14 our agenda and make us uncompetitive. Michael Foods at</p> <p>15 this point is not in the UEP ACC program, we had not made</p> <p>16 that decision yet, but what I saw and see coming here is</p> <p>17 more and more pressure to join that program.</p> <p>18 Q. And at this point in time in November of 2005,</p> <p>19 you as the president and CEO of Michael Foods had made the</p> <p>20 determination that you were not interested at this point</p> <p>21 in joining the UEP certified program?</p> <p>22 A. What I said is we were moving slowly on our</p> <p>23 decision, but we are getting at this point more and more</p> <p>24 and more pressure from our customer base to be in this</p> <p>25 program.</p>
<p style="text-align: right;">Page 95</p> <p>1 system is more expensive than in a high density cage</p> <p>2 system. So to the extent we're on a road that someday</p> <p>3 gets us to a cage free world in the United States by</p> <p>4 legislation or by UEP action or by whatever, the United</p> <p>5 States will no longer be competitive in production of</p> <p>6 eggs.</p> <p>7 Q. All right. Now, there's an e-mail response to</p> <p>8 your e-mail from Terry Baker, but skipping over that, you</p> <p>9 then respond to Mr. Baker on November 14th, 2005, and you</p> <p>10 say, I have told Beth that we are going to move slowly on</p> <p>11 our decision to step back from the UEP membership.</p> <p>12 A. Yes.</p> <p>13 Q. Okay. And then there's a portion that's</p> <p>14 redacted. But it says, I think we need to get real</p> <p>15 serious about what and how we should be dealing with this</p> <p>16 potential threat to our competitiveness in the market. It</p> <p>17 is very clear that UEP is bad mouthing Sparboe to its</p> <p>18 customers and anyone who will listen. We could be -- we</p> <p>19 could be next and I think we need to have our ducks in a</p> <p>20 row on how we would respond. John and JD, we can discuss</p> <p>21 next steps at our meeting this morning.</p> <p>22 Do you see that?</p> <p>23 A. Yes.</p> <p>24 Q. So is it fair to say that this is an extension of</p> <p>25 what we talked about before with respect to the UEP's</p>	<p style="text-align: right;">Page 97</p> <p>1 Q. And obviously you're looking to do what your</p> <p>2 customers want you to do; right?</p> <p>3 A. Yes.</p> <p>4 Q. Okay. Because that's both good for the customer</p> <p>5 and good for Michael Foods?</p> <p>6 A. Yes.</p> <p>7 Q. Okay. I show you what's been marked as Ostrander</p> <p>8 9 for purposes of identification, two-page document</p> <p>9 bearing Bates number MFI 0040262 to MFI 0040263. It's a</p> <p>10 confidential document. It also has the Exhibit tab for T.</p> <p>11 Baker 12, 8/22/13. I give a minute to take a look at it</p> <p>12 and then I'll ask you questions.</p> <p>13 (Ostrander Exhibit Number 9, Bates number MFI</p> <p>14 0040262 to MFI 0040263, was marked for</p> <p>15 identification.)</p> <p>16 MR. ARANOFF: The videographer needs to change</p> <p>17 the tape, so we'll take a five-minute break and then</p> <p>18 I'll ask you some questions. Okay.</p> <p>19 THE WITNESS: Yeah.</p> <p>20 VIDEOGRAPHER: The time is 11:14 a.m. We're off</p> <p>21 the record.</p> <p>22 (A break was taken.)</p> <p>23 VIDEOGRAPHER: We're on the record. The time is</p> <p>24 11:23 a.m.</p> <p>25 BY MR. ARANOFF:</p>

25 (Pages 94 - 97)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 98</p> <p>1 Q. Just a reminder, Mr. Ostrander, that you're still 2 under oath. So have you had a chance to look at Ostrander 3 9 before we broke, the same document? 4 A. Yes, I saw it; yes. 5 Q. Okay. And do you recognize this document? 6 A. Yes. 7 Q. Okay. This is, again, the first part of this 8 document is an e-mail from Terry Baker to you and to JD 9 Clarkson summarizing a meeting of the UEP on Tuesday, 10 December 6th. I assume 2008 -- 2005; right? 11 A. I would assume that. 12 Q. Okay. When is the last time you saw this 13 document, Mr. Ostrander? 14 MR. GREENE: And, again, excluding -- excluding 15 conversations with counsel. 16 THE WITNESS: Yeah, so back in December of '05. 17 BY MR. ARANOFF: 18 Q. Well, did you see this document yesterday? 19 MR. GREENE: Objection. I'm going to object and 20 instruct him not to answer about what he reviewed with 21 counsel. 22 MR. ARANOFF: Okay. 23 BY MR. ARANOFF: 24 Q. All right. So you see the underlying e-mail from 25 Mr. Baker to you and Mr. Clarkson; right?</p>	<p style="text-align: right;">Page 100</p> <p>1 Q. Okay. Do you know whether he was supportive of 2 the initiative or not? 3 A. I do not. 4 Q. And, again, when we talk about the initiative 5 we're, again, referring to the UEP considering getting rid 6 of the 100 percent rule; right? 7 A. Yes. 8 Q. They have to have food service customers that do 9 not require ACC eggs, I would think. Why did you think 10 that? 11 A. I thought because it happened and Cal-Maine does 12 some short shelf life liquid, basically for I assume 13 industrial customers down in the southeast, and my 14 assumption is that they probably wouldn't want ACC eggs. 15 Q. Why? 16 A. Because they would be more expensive. 17 Q. Okay. And then you say, is Sunny Fresh a member 18 of the UEP; right? 19 A. Uh-huh. 20 Q. Did you get an answer to that? 21 A. I didn't. 22 Q. Okay. Do you know whether or not Sunny Fresh is 23 a member of the UEP? 24 A. I don't believe they are because they're not an 25 egg producer, and they're not supposed to, but</p>
<p style="text-align: right;">Page 99</p> <p>1 A. I'm sorry. The underlying e-mails? 2 Q. Yes. And then you responded to that e-mail by 3 saying if they were to head down this road within these 4 parameters, this would be a great step forward. Do you 5 have an understanding about what you were referring to 6 with that sentence? 7 A. Yes. 8 Q. Okay. And what was that? 9 A. That the UEP, at least the executive -- the 10 officers of the United Egg Producer were considering 11 getting rid of the 100 percent rule, or at least -- yeah, 12 getting rid of it. 13 Q. And this was again in December of '05; right? 14 A. Yes. 15 Q. How did Dolph Baker respond in the meeting? Was 16 he supportive of this initiative? They have to have food 17 service customers that do not require ACC eggs, I would 18 think. Is Sunny Fresh a member of UEP? I did not think 19 they could be as they are not a producer. And if so, why 20 were they at the meeting? 21 Do you see that? 22 A. Yes. 23 Q. Did you ever get an answer to how did Dolph Baker 24 respond at the meeting? 25 A. I did not, or at least not that I recall.</p>	<p style="text-align: right;">Page 101</p> <p>1 unfortunately they were at the meeting. 2 Q. Right. Okay. But -- and as you said, you said 3 they were at the meeting; right? 4 A. This would -- I don't know that for sure, but it 5 says members at the meeting, Norm Stocker and Terry 6 Proffitt, Sunny Fresh. 7 Q. Exactly. Okay. Do you know whether the UEP ever 8 got rid of the 100 percent rule? 9 A. To my knowledge, they did not. We were hopeful. 10 Q. I'll show you what's been marked as Ostrander 10 11 for purposes of identification. 12 (Ostrander Exhibit Number 10, MFI 0452047 to MFI 13 0452052, was marked for identification.) 14 BY MR. ARANOFF: 15 Q. It is a multipage document, MFI 0452047 to MFI 16 0452052. I'll give you a minute to take a look at this, 17 Mr. Ostrander, and I'd like to ask you questions. 18 A. Okay. 19 Q. Okay. Mr. Ostrander, do you recognize this 20 document? 21 A. No. 22 Q. Have you ever seen it before? 23 A. Not to my recollection. 24 Q. Okay. Do you have an understanding as to why -- 25 well, withdrawn.</p>



## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 102</p> <p>1 You see it as the Michael Foods emblem on every 2 page of the document, middle of the page towards the right 3 corner?</p> <p>4 A. Yes.</p> <p>5 Q. Okay. And do you have any understanding as to 6 who authored this document?</p> <p>7 A. I do not know specifically who authored the 8 document.</p> <p>9 Q. Do you have an understanding as to why the 10 document is -- says Nestle USA on the top?</p> <p>11 A. My assumption is it was presented to Nestle USA.</p> <p>12 Q. And Nestle -- I'm sorry.</p> <p>13 A. As a sales document.</p> <p>14 Q. And Nestle was a customer of Michael Foods back 15 in September of '06?</p> <p>16 A. An institutional customer of Michael Foods.</p> <p>17 Q. Okay. When you say institutional customer, what 18 do you mean?</p> <p>19 A. Meaning that the product that we sold to Nestle 20 would be further processed by them into another product 21 that the consumer would ultimately get.</p> <p>22 Q. Okay. And that's the egg industry definition of 23 an institutional customer?</p> <p>24 A. That Michael Foods' definition of an industrial 25 customer.</p>	<p style="text-align: right;">Page 104</p> <p>1 committed some months ago to transition all of our 2 facilities to meet with United Egg Producers guidelines 3 for cage space that is scientifically grounded. We will 4 be implementing those guidelines across MFI in the months 5 ahead; right?</p> <p>6 A. Yes.</p> <p>7 Q. So this reflects, does it not, Michael Foods' 8 position in 2006, at least as early as August 24th of 9 2006, to now move into the UEP programs; is that correct?</p> <p>10 A. Yes.</p> <p>11 Q. And in particular, what programs are we talking 12 about there?</p> <p>13 A. This is the United Egg Producers Animal Care 14 Certified program.</p> <p>15 Q. And this is a program that up until mid-2006 16 Michael Foods had not been a part of; is that correct?</p> <p>17 A. I'm not sure the exact date we made the 18 commitment, but sometime in that relative time frame we 19 decided to join UEP's ACC program. Prior to that we were 20 not part of that program.</p> <p>21 Q. Okay. And when you say the UEP ACC program, does 22 that also include the -- a commitment to the 100 percent 23 rule?</p> <p>24 A. Yes.</p> <p>25 Q. Okay. And that was done sometime, I won't hold</p>
<p style="text-align: right;">Page 103</p> <p>1 Q. As opposed to just buying further processed eggs 2 from Michael Foods and then selling them on the open 3 market? In other words, what you're saying Nestle did as 4 an institutional customer was they would buy your products 5 and then they would use that product to further process 6 that product into one of their own products and then they 7 would sell it?</p> <p>8 A. Yes.</p> <p>9 Q. Okay. But other than customers would just buy 10 the product and not further process them; correct?</p> <p>11 A. We have other industrial customers, we have other 12 food service customers, and we have other retail 13 customers. The end use of each of those is different.</p> <p>14 Q. Okay. So you'll notice that this was dated 15 September 6th, 2006. Do you see that? It's on the first 16 page.</p> <p>17 A. Yes.</p> <p>18 Q. If you turn to the second page of the document.</p> <p>19 A. Yeah.</p> <p>20 Q. It talks about Michael Foods' commitment; right? 21 And this quote is attributable to you in a memo to all 22 employee of August 24th, 2006, Greg A. Ostrander, 23 chairman, CEO. That's you; correct?</p> <p>24 A. I hope so.</p> <p>25 Q. Okay. And it says Michael Foods' commitment, we</p>	<p style="text-align: right;">Page 105</p> <p>1 you to the date, but that was done sometime in the summer, 2 mid-2006; correct?</p> <p>3 A. I would assume so.</p> <p>4 Q. Okay. And that decision was made, am I correct, 5 because it was in the best interest of Michael Foods at 6 the time?</p> <p>7 A. Yes.</p> <p>8 Q. Now, the next document says UEP commitment, 9 verbal commitment to UEP on June 13th, 2006, I guess that 10 clears up the date; right?</p> <p>11 A. It should.</p> <p>12 Q. Okay. Signed commitment papers for entry into 13 the program and the intermarketing license, June 28th, 14 2006.</p> <p>15 A. Okay.</p> <p>16 Q. Right? License agreement number 509 received 17 July 5th, 2006; right?</p> <p>18 A. Yes.</p> <p>19 Q. Okay. Migration of all MFI controlled own layers 20 to UEP cage guidelines begins September 1, 2006. Do you 21 see that?</p> <p>22 A. Yes.</p> <p>23 Q. And does this accurately reflect to the best of 24 your recollection the commitment that Michael Foods made 25 to the UEP?</p>

27 (Pages 102 - 105)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 106</p> <p>1 A. I have to assume so.</p> <p>2 Q. Okay. And you have no reason -- withdrawn.</p> <p>3 And to the best of your knowledge, these were all</p> <p>4 done by Michael Foods; correct?</p> <p>5 A. Yes.</p> <p>6 Q. Okay. Next page is the UEP guidelines; right,</p> <p>7 cage space implementation, April 1, 2002, 56 square</p> <p>8 inches, October 1, 2003, 59 square inches; right?</p> <p>9 A. Yes.</p> <p>10 Q. April 1, 2005, 61 square inches; right?</p> <p>11 A. Yes.</p> <p>12 Q. October 1, 2006, 64 square inches; right?</p> <p>13 A. Yes.</p> <p>14 Q. April 1, 2008, 67 square inches; right?</p> <p>15 A. Yes.</p> <p>16 Q. And that was based on hatch date of the bird;</p> <p>17 right?</p> <p>18 A. Yes.</p> <p>19 Q. All right. No fee withdrawal molting, beak</p> <p>20 trimming, air quality, handling, transportation,</p> <p>21 slaughter, noncomingling of eggs must be segregated;</p> <p>22 correct?</p> <p>23 A. Yes.</p> <p>24 Q. And to the best of your knowledge, all of these</p> <p>25 parameters pursuant to the UEP guidelines were done by</p>	<p style="text-align: right;">Page 108</p> <p>1 A. Yes.</p> <p>2 Q. Okay. That changed at some point in time, as</p> <p>3 evidenced by this memo that we're in the middle of going</p> <p>4 through; correct?</p> <p>5 A. Yes.</p> <p>6 Q. And you made the decision at that point in time,</p> <p>7 sometime I think it was in June of 2006; right, to join</p> <p>8 the UEP certified program?</p> <p>9 A. Yes.</p> <p>10 Q. Okay. And that was done for a variety of</p> <p>11 reasons; right? It was done because it was in Michael</p> <p>12 Foods' best interest; correct?</p> <p>13 A. That is one of the reasons, yes.</p> <p>14 Q. Because you did an analysis at some point in time</p> <p>15 to determine is this good for Michael Foods or not good</p> <p>16 for Michael Foods?</p> <p>17 A. Yes, that's fair.</p> <p>18 Q. And so you decided that because it was good for</p> <p>19 Michael Foods, you would enter the program?</p> <p>20 A. That's a fair assessment.</p> <p>21 Q. Okay. And you did so and while you were in the</p> <p>22 program, you complied with all of the provisions that were</p> <p>23 outlined for being a member of the UEP certified program;</p> <p>24 correct?</p> <p>25 A. On the date specified, yes.</p>
<p style="text-align: right;">Page 107</p> <p>1 Michael Foods on the dates that they say in this</p> <p>2 presentation; correct?</p> <p>3 A. My understanding is they are all initiated on</p> <p>4 those dates, yes.</p> <p>5 Q. Okay. And, again, these were done because it was</p> <p>6 in the best interests of Michael Foods to do this;</p> <p>7 correct?</p> <p>8 A. These were done as part of our requirements to</p> <p>9 join the UEP ACC guidelines. I have to be clear on that,</p> <p>10 these were never in our interest. They're interest from</p> <p>11 the standpoint of servicing a customer, but anyway, that's</p> <p>12 a whole different issue.</p> <p>13 Q. Well, you made the decision -- at some point in</p> <p>14 time -- let's talk about that --</p> <p>15 A. Let me be clear. Let me be clear.</p> <p>16 Q. Let me ask a question, if you wouldn't mind --</p> <p>17 A. Okay.</p> <p>18 Q. -- and then you can respond to the questions that</p> <p>19 I ask. There was a time period before 2006 where you were</p> <p>20 the head of the company; correct?</p> <p>21 A. Yes.</p> <p>22 Q. Okay. And during that time you made an</p> <p>23 estimation that based upon what the UEP guidelines were at</p> <p>24 that time, that it was not in Michael Foods' best interest</p> <p>25 to join the UEP certified program; correct?</p>	<p style="text-align: right;">Page 109</p> <p>1 Q. Right. And you stayed in the program -- you</p> <p>2 stayed in that program complying with the rules for how</p> <p>3 long, from June of '06 until when?</p> <p>4 A. To my knowledge, we're still in the program.</p> <p>5 Q. And to your knowledge are you still complying</p> <p>6 with all of the requirements as mandated by the UEP?</p> <p>7 A. I would have no knowledge of that past June 30th</p> <p>8 of 2010.</p> <p>9 Q. But at least as of June 30th, 2010, you were</p> <p>10 still in the program?</p> <p>11 A. Yes.</p> <p>12 Q. Okay. So continuing on in the document, it says,</p> <p>13 MFI status, Michael Foods meets or exceeds all guidelines</p> <p>14 on internal layers except cage space.</p> <p>15 Do you see that?</p> <p>16 A. Yes.</p> <p>17 Q. Effective September 1, 2006, all flocks will be</p> <p>18 housed meeting the UEP guideline in place at the time.</p> <p>19 Do you see that?</p> <p>20 A. Yes.</p> <p>21 Q. Okay. All flocks are currently within a 48 to</p> <p>22 75 square inches configuration; right?</p> <p>23 A. Yes.</p> <p>24 Q. And all 13 million MFI layers will meet the UEP</p> <p>25 cage density guideline by mid 2008; correct?</p>

28 (Pages 106 - 109)



## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 110</p> <p>1 A. Yes.</p> <p>2 Q. To the best of your knowledge, did you meet all</p> <p>3 of the requirements contained in this page of the</p> <p>4 presentation?</p> <p>5 A. Yes.</p> <p>6 Q. Okay. And then finally we have noncertified</p> <p>7 license, which is the last page of the presentation;</p> <p>8 right? And it says MFI is able to market UEP certified</p> <p>9 product in full compliance with its license; correct?</p> <p>10 A. Yes.</p> <p>11 Q. Monthly reporting to UEP purchases and sales of</p> <p>12 certified products, do you see that?</p> <p>13 A. Yes.</p> <p>14 Q. USDA will complete an annual audit of all records</p> <p>15 to assure compliance with license?</p> <p>16 A. Yes.</p> <p>17 Q. No comingling of egg, must be segregated at all</p> <p>18 times. Do you see that?</p> <p>19 A. Yes.</p> <p>20 Q. Currently finalizing documentation and protocol</p> <p>21 for validation of process and compliance, we will work</p> <p>22 with UEP and UEA to establish a standard industry program.</p> <p>23 Do you see that?</p> <p>24 A. Yes.</p> <p>25 Q. And to the best of your knowledge, was Michael</p>	<p style="text-align: right;">Page 112</p> <p>1 be requiring an UEP Animal Care Certified program as</p> <p>2 referenced by the feedback we were receiving from</p> <p>3 customers like Sysco and Wal-Mart such that an alternative</p> <p>4 program wouldn't be acceptable to customers that were</p> <p>5 meaningful customers to Michael Foods. So at least from</p> <p>6 our point of view, we never proceeded because at the end</p> <p>7 of the day our assessment was it wouldn't work.</p> <p>8 MR. ARANOFF: Take a five-minute break if you</p> <p>9 don't mind.</p> <p>10 VIDEOGRAPHER: The time is 11:41 a.m.</p> <p>11 (A break was taken.)</p> <p>12 VIDEOGRAPHER: We're on the record. The time is</p> <p>13 11:51 a.m.</p> <p>14 CROSS-EXAMINATION</p> <p>15 BY MR. BROWN:</p> <p>16 Q. Good morning. This is Stephen Brown. We met</p> <p>17 earlier this morning. I'm going to ask you a couple</p> <p>18 questions. I hope not to retread over what Mr. Aranoff</p> <p>19 did, but we'll do our best. Okay. I'd like to start</p> <p>20 talking about exports of eggs and egg products.</p> <p>21 A. Okay.</p> <p>22 Q. Did Michael Foods itself engage in any exports?</p> <p>23 A. Yes.</p> <p>24 Q. Can you tell me a little bit about that?</p> <p>25 A. We have during that time customers in Japan that</p>
<p style="text-align: right;">Page 111</p> <p>1 Foods in compliance with all of these things?</p> <p>2 A. Yes.</p> <p>3 Q. Okay. What does UEA stand for?</p> <p>4 A. United Egg Association, I believe.</p> <p>5 Q. And do you know what the United Egg Association</p> <p>6 is?</p> <p>7 A. I think that is an association of shell egg</p> <p>8 people, but I'm not exactly sure. I believe that's the</p> <p>9 shell egg component.</p> <p>10 Q. Okay. You can put that document away. Aside</p> <p>11 from this presentation to Nestle that we talked about, do</p> <p>12 you recall whether the same presentation was done to any</p> <p>13 other Michael Foods customers in particular?</p> <p>14 A. I don't specifically recall.</p> <p>15 Q. We talked a little bit earlier about Ken Klippen</p> <p>16 as an alternative program. Do you recall that?</p> <p>17 A. Yes.</p> <p>18 Q. And did Ken Klippen's program ever get off the</p> <p>19 ground?</p> <p>20 A. It did not.</p> <p>21 Q. Okay. And do you have an understanding as to why</p> <p>22 it did not?</p> <p>23 A. From a Michael Foods point of view while we were</p> <p>24 exploring Ken Klippen and an alternative program, it</p> <p>25 became increasingly clear that some of our customers would</p>	<p style="text-align: right;">Page 113</p> <p>1 would buy frozen yolk and powdered egg whites, I believe.</p> <p>2 Q. When you say during that time, what time period</p> <p>3 are you referring to?</p> <p>4 A. Well, pretty much we have ongoing sales to Japan</p> <p>5 of frozen yolk and whole egg and powdered products.</p> <p>6 Q. Okay. So going back to about at least 2000</p> <p>7 continuing through today?</p> <p>8 A. I would think so, yes.</p> <p>9 Q. Okay. Do you know what United States Egg</p> <p>10 Marketers is?</p> <p>11 A. I've heard of them.</p> <p>12 Q. What do you know of them?</p> <p>13 A. I believe they were an arm of some industry group</p> <p>14 that exported shell eggs.</p> <p>15 Q. Do you know where they exported shell eggs to?</p> <p>16 A. I do not.</p> <p>17 Q. Did you ever take into account their exports of</p> <p>18 shell eggs in pricing or in any other way for Michael</p> <p>19 Foods?</p> <p>20 A. Well, I'm going to try and answer that anyway.</p> <p>21 Michael Foods essentially evaluated egg products</p> <p>22 companies, so in terms of anything in the market that</p> <p>23 could affect pricing or costs or selling prices of eggs,</p> <p>24 we would of course take into consideration as related to</p> <p>25 how we ultimately sold and marketed our egg products. So</p>

29 (Pages 110 - 113)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 114</p> <p>1 if there was a major export program, my assumption is that  2 the people that did pricing in the company would be aware  3 of that and probably try and think through what impact  4 that would have on pricing or cost probably more than  5 anything.  6 Q. Okay. What potential impacts would it have on  7 pricing or cost?  8 A. If you're exporting eggs and taking them out of  9 the U.S. market, they could have the impact of raising  10 prices, I assume, or raising costs. Michael Foods has  11 their own flocks, so we have our own supply of eggs. We  12 also process extensively the production of market based  13 eggs and contracted eggs with other vendors. So, you  14 know, obviously we had to know everything going on in  15 terms of the market, overall supply and demand.  16 Q. Okay. Let me hand to you what is going to be  17 marked as Ostrander 11.  18 (Ostrander Exhibit Number 11, MFI 0133867, was  19 marked for identification.)  20 BY MR. BROWN:  21 Q. Okay. This is MFI 0133867. And this is a series  22 of e-mails. You can take a second to review it, please.  23 A. Okay. Okay.  24 Q. And I'm sorry if you answered this already today,  25 but Vince O'Brien, who is he?</p>	<p style="text-align: right;">Page 116</p> <p>1 A. Yes.  2 Q. Okay. And you write that our internal liquid  3 should be advantageous to this type of market?  4 A. Yes.  5 Q. What did you mean by advantageous?  6 A. What I mean by that is when you are an egg  7 producer, your cost to produce an egg is based on kind of  8 six or seven different variables. The number one variable  9 is grain cost, so the cost of corn and soy bean meal.  10 Obviously supply and demand of the egg has nothing to do  11 with the cost to produce an egg internally. So to the  12 extent we have our own flocks, we have bought our own corn  13 and meal and other ingredients that go in to feed that  14 chicken to produce an egg, those aren't affected by the  15 supply and demand of egg. So if the market is going up,  16 our costs haven't changed at least on that component of  17 our liquid use or our source of eggs.  18 And during this time, Michael Foods probably  19 produced about a third of their egg requirements were from  20 our own flocks and about two thirds of our requirements  21 were purchased on some market mechanism from other egg  22 producers.  23 Q. Okay. And when you said about two thirds were  24 purchased from other producers, were those on long term  25 contracts or were those through a market based pricing or</p>
<p style="text-align: right;">Page 115</p> <p>1 A. Vince O'Brien would be head of our industrial egg  2 products business, a general manager of industrial eggs.  3 Q. Okay. And you see at the bottom --  4 A. Let me clarify, institutional eggs.  5 Q. Okay. And you see at the bottom of the page  6 Mr. O'Brien talks about an export for 300 containers?  7 A. Yes.  8 Q. And then you write back, let's make sure we are  9 capitalizing our pricing. Mike, our internal liquid  10 should be advantageous to this type of market as well and  11 should help us sell in the price increase on food service  12 and retail.  13 Did I read that correctly?  14 A. You did.  15 Q. Okay. What did you mean when you said  16 capitalizing on our pricing?  17 A. In this context I would have given what Vince had  18 sent me, I would have assumed that our cost to buy eggs on  19 the market, which we did a lot of, would be going up if  20 they were exporting eggs out of the U.S. market, so supply  21 would be dropping, our costs would be going up, and if our  22 costs were going up, given that we're a value added egg  23 processor, our attempt would be to get that -- any cost  24 increase back in pricing.  25 Q. And that's what capitalized -- capitalized means?</p>	<p style="text-align: right;">Page 117</p> <p>1 generally at this time, how was that done?  2 A. I don't know specifically at this time because I  3 don't do procurement, but let's suffice it to say that our  4 egg supply was on all of those, some were on long term  5 pricing, some were on market based, some were on shorter  6 term pricing proposals. The whole gamut, we probably had  7 sourcing agreements that covered the world in terms of how  8 we would buy our eggs.  9 Q. Okay. And when you write sell in the price  10 increase to FD service, that's food service?  11 A. Yes.  12 Q. And retail?  13 A. Yes.  14 Q. What do you mean sell in the price increase?  15 A. Whenever you take a price increase in the  16 marketplace, a customer is naturally going to say, gee, we  17 don't want a price increase, we want our price of eggs to  18 be what it was yesterday. Well, if our cost to buy eggs  19 on the market has gone up, we have to, to maintain our  20 profitability, pass that cost increase through to our  21 customers.  22 Q. So after the -- so this export -- withdrawn.  23 Mr. O'Brien's e-mail to you reflects that this  24 export is going to increase the market price of eggs; is  25 that correct?</p>

30 (Pages 114 - 117)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 118</p> <p>1 A. His supposition from what I read is that it's 2 going to have an impact on the cost of market eggs, which 3 means our cost to buy liquid is going to go up; that's his 4 belief. 5 Q. Okay. Did you agree with that? 6 A. I said if it's going to happen, let's make sure 7 we get it in our pricing. It is the -- whether there's an 8 export program or a change in the Urner Barry or a change 9 in grain prices, all of those can impact our egg cost. So 10 anything in the market that impacts our cost to produce, 11 we have to be aware of and respond to. At the end of the 12 day we're a company, we got to make a profit. 13 Q. Okay. And so if this export increased the market 14 prices of eggs, you were going to attempt to increase the 15 price that you were charging food service and retail? 16 A. Let's see. If there was an increase in our cost 17 based on this factor, that should have been considered in 18 our pricing, yes. 19 Q. Okay. 20 A. I don't control pricing, I have people that 21 control pricing. 22 Q. Understood. And you were -- that's what you were 23 directing them to do, though; is that correct? 24 A. My direction is that if we had cost increase, we 25 need to get it back in our pricing.</p>	<p style="text-align: right;">Page 120</p> <p>1 internally that at the time would have produced maybe 2 40 percent of our needs. We did not have demand from 3 customers willing to pay the premium that it would have 4 cost us to reduce the density of our cages for all 13 5 million hens that we owned at the time. So for us to go 6 100 percent and have five customers that wanted ten 7 percent of our business and to absorb that cost was an 8 easy decision. It was a no-go. 9 Q. If you had applied the 100 percent rule to your 10 flocks, that would have decreased the amount of eggs that 11 you could have produced? 12 A. It would have decreased the number of eggs that 13 internally we could have produced, yes. But keep in mind 14 if we're selling a billion pounds of eggs to the market, 15 just because we reduce our internal supply, we have to 16 then go outside and recreate that supply in the 17 marketplace by having somebody else put additional birds 18 on the ground, someone that has excess supply to enter 19 into agreements to supply a set amount of liquid. So, you 20 know, whether or not we reduced our internal supply, we 21 still needed the overall amount of eggs. So if we didn't 22 have it internally, we would go contract for it on the 23 outside. 24 Q. And that would have increased your costs? 25 A. Not necessarily, no, because if we're -- in fact,</p>
<p style="text-align: right;">Page 119</p> <p>1 Q. Okay. Backing up a little bit away from the 2 exports to the around 2000, 2001, 2002 time frame, were 3 you aware of the development of the UEP certified program 4 at that time? 5 A. I believe we've referenced memos from 2001 that 6 would say I was aware of it at that time. Do I 7 specifically recall that? Only through my memos would I 8 recall that. 9 Q. Okay. Do you recall when you decided in that 10 time frame that you were -- that Michael Foods was not 11 going to join the UEP certified program? 12 A. When we were first presented a proposal to join 13 and we reviewed the parameters of those proposals which 14 included 100 percent rule, I made the decision to not be a 15 part of the program. 16 Q. And you mentioned the 100 percent rule. What was 17 it in particular about the 100 percent rule that was a 18 consideration for you that caused you to decide not to 19 sign up? 20 A. Again, I'm going to talk about our egg complex, 21 and that we process, I don't know, a billion, let's just 22 say a billion pounds of eggs a year, which is roughly what 23 we do, what we did back then, I don't know, but anyway, we 24 get eggs both externally from contracted suppliers, from 25 market purchases and then we have our own flocks</p>	<p style="text-align: right;">Page 121</p> <p>1 to the contrary. We can go replace that supply on the 2 external market by having somebody go out and build farms, 3 put in birds, put them on the ground, and we enter into 4 long term supply agreements to take all of those eggs at a 5 cost very competitive with what we can produce our own 6 eggs internally for. 7 Q. Okay. But you didn't want to do that? 8 A. I didn't want to do what? 9 Q. You didn't want to -- well, let's see, you didn't 10 want to join the program with the 100 percent rule? 11 A. That's correct. 12 Q. One of the consequences of joining the program 13 with the 100 percent rule is that you either would have 14 had to increase your internal production or buy production 15 on the market? 16 A. We would have had to outsource production if we 17 chose not to increase our internal production, but the 18 reason at the time we didn't make the decision to join the 19 program is because we had no ability to get the cost back 20 that would have -- we would have incurred from our 21 customers when we only had a very small percentage of our 22 customers that wanted ACC certified eggs. The rest of 23 that internal production would have had higher cost, and 24 we would have had no way to recover that cost in the 25 marketplace.</p>

31 (Pages 118 - 121)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 122</p> <p>1 Q. Okay. At the time, did you consider developing 2 any alternative program to the UEP certified program? 3 A. If you look at the history of Michael Foods and 4 what we did in terms of procurement, some time after we 5 went private and we took the company private in 2001 the 6 first time, and when you take a company private it 7 becomes -- capital becomes a big issue and where you spend 8 it. And if you're going to build your own farms and 9 houses and layer cages and all of that stuff, it is a 10 massive outlay of capital. We chose sometime in early 11 2001 and '2 to not expand internally anymore. What we 12 then started doing with people like Sunny Fresh and 13 Fremont Farms and Egg Pro, later on was to go out and 14 contract with a third party to actually build new 15 production facilities that they would own, and what we 16 would do is commit to a seven to ten-year agreement where 17 we would take all the eggs from that farm and further 18 process them. And for that, they would commit the 19 capital, they would make a profit margin on that, and we 20 would buy the eggs from that facility. And that's how we 21 kept our supply in balance. 22 Q. Okay. Did you consider developing an alternative 23 animal welfare program to the UEP certified program at 24 that time? 25 A. We had a program already in place at that time</p>	<p style="text-align: right;">Page 124</p> <p>1 A. Yes. 2 Q. Are Wayne Carlson and Beth Schnell from Sparboe? 3 A. Yes. 4 Q. And they said they are planning to apply for the 5 UEP animal husbandry guidelines egg certification program. 6 A. Okay. 7 Q. And then you write back, I will follow up with 8 Bob because that is inconsistent with what he and I 9 discussed. Is the reference to Bob a reference to Bob 10 Sparboe? 11 A. I have to assume so. 12 Q. Okay. Do you recall discussions with Bob Sparboe 13 at this time about the UEP certified program? 14 A. I do not. 15 Q. Okay. You also write, but it should help us with 16 those customers who are requiring it? 17 A. That would be in reference that if we join the 18 program, it would help us with those customers who wanted 19 it, I'm assuming is what I meant by that. 20 Q. It would help -- let me make sure I understand. 21 The program would help Michael Foods with the Michael 22 Foods customers who are requiring the UEP certified 23 program? 24 A. My -- and, again, my recollection in 15 years ago 25 is slim at best, but what I believe I'm saying here is</p>
<p style="text-align: right;">Page 123</p> <p>1 with Burger King, so, in fact, we had done that already. 2 Q. Did you have any discussions with Sparboe about 3 an alternative program? 4 A. We've already been on the record with that, yes, 5 we have -- or we did. 6 Q. I'm referring to back in 2002. 7 A. I don't recall specifically when that dialogue 8 started with Sparboe. 9 Q. Okay. Do you know whether Sparboe -- do you know 10 whether Sparboe joined the UEP certified program in 11 2001/2002? 12 A. I don't remember. 13 Q. Okay. I'm going to hand to you what will be 14 Ostrander 12. 15 (Ostrander Exhibit Number 12, MFI 0319966, was 16 marked for identification.) 17 BY MR. BROWN: 18 Q. This is MFI 0319966. 19 A. Okay. 20 Q. There is a November 11, 2002, e-mail from Mike 21 Johnson to you. Who is Mike Johnson? 22 A. Mike Johnson would have been the head of sales 23 for Crystal Farms, a division of Michael Foods. 24 Q. Okay. And he writes that he had lunch with Wayne 25 Carlson and Beth Schnell?</p>	<p style="text-align: right;">Page 125</p> <p>1 that Bob had not indicated to me that he was joining the 2 UEP program. If he was, and if we ultimately made the 3 decision to join, then it would certainly help us with 4 those customers who are asking for it. This would have 5 been in reference to us joining, not Sparboe. I could 6 have given a rat's ass whether Sparboe joined. 7 Q. Okay. 8 A. Sorry for my language. 9 MR. ARANOFF: It's color. 10 THE WITNESS: Color. There we go. 11 BY MR. BROWN: 12 Q. This is Ostrander 13. 13 (Ostrander Exhibit Number 13, MFI 0000163, was 14 marked for identification.) 15 BY MR. BROWN: 16 Q. This is MFI 0000163. And am I correct that this 17 is a letter from you to Bob Sparboe? 18 A. It would appear to be so. 19 Q. Okay. You can take a second to review, but I'm 20 just really interested in the first, really the first 21 sentence here. And you write, I wanted to follow up on 22 our meeting last week on a couple of issues with respect 23 to setting up an independent AWB certification program. 24 Michael Foods would be very interested in working with 25 Sparboe and other industry participants to do this outside</p>

32 (Pages 122 - 125)

## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 126</p> <p>1 of the UEP.</p> <p>2 A. Yes.</p> <p>3 Q. Do you recall any discussions that you had with</p> <p>4 Mr. Sparboe about this alternative program?</p> <p>5 A. I do not specifically recall that, but apparently</p> <p>6 we talked about it.</p> <p>7 Q. You write that Michael Foods will be very</p> <p>8 interested in doing this outside of the UEP.</p> <p>9 A. Yes.</p> <p>10 Q. And what was the reason for that?</p> <p>11 A. The 100 percent rule.</p> <p>12 Q. Okay. That's all for that one.</p> <p>13 MR. ARANOFF: Steven, can we go off the record</p> <p>14 for just a couple minutes. I want to ask you a</p> <p>15 question.</p> <p>16 MR. BROWN: Absolutely.</p> <p>17 VIDEOGRAPHER: The time is 12:12 a.m. We're off</p> <p>18 the record.</p> <p>19 (A break was taken.)</p> <p>20 VIDEOGRAPHER: We're on the record. The time is</p> <p>21 12:20 p.m.</p> <p>22 BY MR. BROWN:</p> <p>23 Q. Good afternoon. You are going to be handed</p> <p>24 Exhibit Ostrander 14.</p> <p>25 (Ostrander Exhibit Number 14, MFI 0101954, was</p>	<p style="text-align: right;">Page 128</p> <p>1 processed egg company.</p> <p>2 Q. And you mentioned Cal-Maine and Rose Acres and</p> <p>3 others?</p> <p>4 A. Yeah, which are the largest shell egg producers</p> <p>5 in the country.</p> <p>6 Q. Okay. You talked earlier that after you had</p> <p>7 joined the UEP certified program once you were fully</p> <p>8 compliant with the program. Do you recall what date that</p> <p>9 was?</p> <p>10 A. The sales presentation we referenced would have</p> <p>11 said sometime in 2008 we would have been fully compliant.</p> <p>12 Q. And once you were fully compliant, you mentioned</p> <p>13 earlier that you -- withdrawn.</p> <p>14 We talked earlier that you purchased about two</p> <p>15 thirds of your need for eggs externally; is that correct?</p> <p>16 A. Yes.</p> <p>17 Q. Once you were fully compliant with the UEP</p> <p>18 certified program, the eggs that you purchased, were those</p> <p>19 eggs UEP certified eggs?</p> <p>20 A. I'm sorry, the eggs we purchased on the outside?</p> <p>21 Q. Yes.</p> <p>22 A. That was a combination of certified eggs and</p> <p>23 noncertified eggs. The bulk of those eggs would have been</p> <p>24 noncertified eggs.</p> <p>25 Q. Okay.</p>
<p style="text-align: right;">Page 127</p> <p>1 marked for identification.)</p> <p>2 BY MR. BROWN:</p> <p>3 Q. This is MFI 0101954, and this is an e-mail from</p> <p>4 you dated August 31, 2005; is that correct?</p> <p>5 A. Yes.</p> <p>6 Q. And you write, what is your collective view as to</p> <p>7 the value you received from our members in UEP. You also</p> <p>8 note, I'm not on the hunt to drop out of the UEP, but</p> <p>9 question our participation going forward. Given the</p> <p>10 seemingly one-sided orientation of the UEP around</p> <p>11 Cal-Maine, Rose Acres and others.</p> <p>12 Did you consider dropping out of UEP at this</p> <p>13 point?</p> <p>14 A. It certainly would indicate I was thinking about</p> <p>15 it. Did we actually -- we never did drop out of UEP, but</p> <p>16 we -- I certainly explored what our cost to be in UEP was</p> <p>17 and what value we would have, and people in our</p> <p>18 organization like Terry Baker and Tim Bebee and Toby would</p> <p>19 certainly have more awareness of what value we had from</p> <p>20 UEP versus myself.</p> <p>21 Q. Okay. And you said the one-sided orientation.</p> <p>22 Are you referring to UEP having a one-sided orientation?</p> <p>23 A. I'm referring to the United Egg Producers seeming</p> <p>24 to have a bias to shell egg producers, and Michael Foods</p> <p>25 is really not in the shell egg business, we are a further</p>	<p style="text-align: right;">Page 129</p> <p>1 MR. BROWN: If we can take just another quick</p> <p>2 break.</p> <p>3 MR. GREENE: Okay.</p> <p>4 MR. ARANOFF: It strikes me that we might not</p> <p>5 even need a lunch break.</p> <p>6 MR. GREENE: Okay.</p> <p>7 MR. ESSENMACHER: Are you done with your</p> <p>8 examination?</p> <p>9 MR. BROWN: Yeah.</p> <p>10 THE WITNESS: I'm okay with not having lunch.</p> <p>11 MR. GREENE: We can go off the record for a</p> <p>12 moment.</p> <p>13 VIDEOGRAPHER: The time is 12:24 p.m. We're off</p> <p>14 the record.</p> <p>15 (A break was taken.)</p> <p>16 VIDEOGRAPHER: We're on the record. The time is</p> <p>17 12:31 p.m.</p> <p>18 CROSS-EXAMINATION</p> <p>19 BY MR. ESSENMACHER:</p> <p>20 Q. Good afternoon, Mr. Ostrander. My name is Keith</p> <p>21 Essenmacher, I represent the indirect purchasers in this</p> <p>22 case. I want to start out with earlier in the deposition,</p> <p>23 not by my questioning, there was a statement you made</p> <p>24 regarding the bulk of Michael Foods' sales were to food</p> <p>25 service industries. Is that a correct statement?</p>

33 (Pages 126 - 129)



## HIGHLY CONFIDENTIAL

<p style="text-align: right;">Page 130</p> <p>1 A. Food service customers, yes.</p> <p>2 Q. Okay. Would you care to -- well, if you know at</p> <p>3 this time, what percentage of your sales were for non food</p> <p>4 service customers?</p> <p>5 A. During what time frame?</p> <p>6 Q. During your tenure as CEO -- well, let's say 2000</p> <p>7 to 2006, just to go from that area, first and then I'll</p> <p>8 ask you about it later.</p> <p>9 A. For overall Michael Foods, which is egg, potato,</p> <p>10 and whatever dairy we had, non food service sales would</p> <p>11 have been maybe 40 percent of the company sales, and of</p> <p>12 that 40 percent, retail sales would have been 60 to</p> <p>13 70 percent of that number.</p> <p>14 Q. Okay. I would like to ask you more on the egg</p> <p>15 side of things.</p> <p>16 A. On the egg side? On the egg side if you look at</p> <p>17 just egg products, then I would say food service was</p> <p>18 65 percent of that business, 65 to 70 percent,</p> <p>19 institutional would have been about 25, 30 percent,</p> <p>20 25 percent, 30 percent, and retail would have been 10 to</p> <p>21 15. Hopefully that adds roughly to 100.</p> <p>22 Q. Give or take a few?</p> <p>23 A. Give or take a few percents.</p> <p>24 Q. Thank you. Did Michael Foods commission any</p> <p>25 internal studies or analysis for retail pricing as your</p>	<p style="text-align: right;">Page 132</p> <p>1 Michael Foods would be responsible for street level</p> <p>2 pricing, data information, anything with street level</p> <p>3 pricing?</p> <p>4 MR. ARANOFF: Objection.</p> <p>5 MR. GREENE: Objection. Vague.</p> <p>6 BY MR. ESSENMACHER:</p> <p>7 Q. Okay. Who in Michael Foods would be the</p> <p>8 custodian for street level pricing analysis, marketing</p> <p>9 department, marketing, and sales type of data?</p> <p>10 MR. GREENE: Object to the form again.</p> <p>11 THE WITNESS: For which class of trade? I mean,</p> <p>12 food service, retail?</p> <p>13 BY MR. ESSENMACHER:</p> <p>14 Q. For the retail.</p> <p>15 A. Institutional?</p> <p>16 Q. For retail.</p> <p>17 A. For retail it would be in the trade marketing and</p> <p>18 sales arm of our retail operations.</p> <p>19 Q. And do you know who would be the head of that?</p> <p>20 A. I don't.</p> <p>21 Q. Okay. I have no further questions. Does anybody</p> <p>22 else have any questions?</p> <p>23 MR. GREENE: Does anyone on the phone have</p> <p>24 questions?</p> <p>25 MR. KENNEDY: No.</p>
<p style="text-align: right;">Page 131</p> <p>1 tenure at Michael Foods?</p> <p>2 A. I don't recall that we would have done that.</p> <p>3 Q. Okay. If a study had been done, would you know</p> <p>4 what department or who the person would be in charge of</p> <p>5 that, if there was to be one done? Yeah, I know, I un --</p> <p>6 A. That's supposition, but I mean if someone were to</p> <p>7 do a retail study, it would have been done within our</p> <p>8 retail marketing group.</p> <p>9 Q. Okay. And has Michael Foods ever commissioned an</p> <p>10 internal study on the buying habits of the retail market</p> <p>11 based on gender, ethnicity, family size, different</p> <p>12 demographics? Has a study ever occurred in that range?</p> <p>13 A. We have done market research on who the consumers</p> <p>14 are for our Better Than Eggs retail egg products.</p> <p>15 Q. Okay. But none for shell eggs?</p> <p>16 A. No.</p> <p>17 Q. Okay. And who would be responsible for that</p> <p>18 market research? Would it be the same as your answer</p> <p>19 previously?</p> <p>20 A. Yes.</p> <p>21 Q. Okay. That's fine. In your experience, does</p> <p>22 demand for eggs change when prices fluctuate?</p> <p>23 A. That's a broad question.</p> <p>24 Q. I understand. Withdrawn.</p> <p>25 Let's see, and then my final question is, who in</p>	<p style="text-align: right;">Page 133</p> <p>1 MS. ZITRIN: No.</p> <p>2 MR. GREENE: We will read and sign.</p> <p>3 MR. ARANOFF: Okay.</p> <p>4 MR. ESSENMACHER: Okay.</p> <p>5 VIDEOGRAPHER: This concludes the deposition.</p> <p>6 The time is 12:36 p.m. We're off the record.</p> <p>7</p> <p>8 (Deposition concluded at 12:26 p.m.)</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>

## HIGHLY CONFIDENTIAL

Page 134		Page 136	
1	CERTIFICATE OF OATH	1	ACKNOWLEDGMENT OF DEPONENT
2		2	I, GREGG OSTRANDER, do hereby certify
3	STATE OF FLORIDA)	3	that I have read the foregoing transcript of my
4	COUNTY OF COLLIER)	4	testimony taken on 3/5/14, and further certify
5		5	that it is a true and accurate record of my
6	I, the undersigned authority, certify that Gregg	6	testimony (with the exception of the corrections
7	Ostrander personally appeared before me and was duly	7	listed below):
8	sworn.	8	Page Line Correction
9		9	_____
10	WITNESS my hand and official seal this 17th day	10	_____
11	of March, 2014.	11	_____
12		12	_____
13		13	_____
14		14	_____
15	Lori L. Bundy	15	_____
16	Notary Public - State of Florida	16	_____
17	My Commission No.: EE 132707	17	_____
18	Expires: September 22, 2015	18	_____
19		19	_____
20		20	_____
21		21	_____
22		22	GREGG OSTRANDER
23		23	SUBSCRIBED AND SWORN TO BEFORE ME
24		24	THIS ____ DAY OF _____, 20__.
25		25	(NOTARY PUBLIC) MY COMMISSION EXPIRES:
Page 135			
1	REPORTER'S DEPOSITION CERTIFICATE		
2			
3	STATE OF FLORIDA)		
4	COUNTY OF COLLIER)		
5			
6	I, Lori L. Bundy, Certified Court Reporter and Notary		
7	Public in and for the State of Florida at Large, certify		
8	that I was authorized to and did stenographically report		
9	the deposition of Gregg Ostrander; that a review of the		
10	transcript was requested and that the transcript is a true		
11	and complete record of my stenographic notes.		
12			
13	I further certify that I am not a relative, employee,		
14	attorney, or counsel of any of the parties; nor am I a		
15	relative or employee of any of the parties' attorney or		
16	counsel connected with the action; nor am I financially		
17	interested in the action.		
18			
19	DATED this 17th day of March, 2014.		
20			
21			
22			
23	Lori L. Bundy,		
24	RMR, FPR, RPR, CRR, CLR		
25			

35 (Pages 134 - 136)

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430



CASE: ***In re: Processed Egg Products Antitrust Litigation*** (MDL No. 2002 08-MD-02002)


WITNESS: **Gregg Ostrander (March 5, 2014)**

I, Gregg Ostrander, do hereby certify that I have read the foregoing transcript of my testimony, and make the following statement, under oath, listing the changes to the transcript and the reasons for making the changes.


Page:Line	Change From	To	Reason
16:23-24	Sani-Dairy	Sanna Dairy	correction of spelling of name
27:19 29:11	Janco	Jenko	correction of spelling of name
34:16-19	Q. And when I say join the UEP, just so that the record's clear, I'm talking about <u>the</u> <u>to</u> join any programs also within the UEP, animal welfare would be an example of that; right?	Q. And when I say join the UEP, just so that the record's clear, I'm talking about <u>to, to</u> join any programs also within the UEP, animal welfare would be an example of that; right?	apparent error in transcription of question
35:5 36:14 36:20 43:7 43:8	Keri	Cary	correction of spelling of name
41:11-13	A. In the context of reviewing this business conduct policy as CEO and <u>proving</u> this to be sent and signed by employees, I'm familiar with the document.	A. In the context of reviewing this business conduct policy as CEO and <u>approving</u> this to be sent and signed by employees, I'm familiar with the document.	transcription error
53:4-5	Q. .... <u>Pass the</u> motion that states that if a marketing or processing company has commitments or contracts with ...	<u>Passed a</u> motion that states that if a marketing or processing company has commitments or contracts with ...	Apparent error in transcription of question, as the words in the document being read from are "passed a"

Page:Line	Change From	To	Reason
74:24-75:4	Q. ...We should get <u>it</u> together with counsel and determine what legal grounds we have to fight this resolution in terms of restraint of trade or some other avenue that would give us equal access to ACC for those customers of our who request us to provide and certify eggs that are ACC.		Apparently transcribed the question correctly, but note that the document the questioning attorney was reading from did not include the word "it" where indicated.
88:6-7	Q. Now, you say at the end of the e-mail, please review and <u>JV</u> and I will set up . . .	"JD"	transcription error
98:7-11	Q. Okay. This is, again, the first part of this document is an e-mail from Terry Baker to you and to JD Clarkson summarizing a meeting of the UEP on Tuesday, December 6th. I assume <u>2008 – 2005</u> ; right? A. I would assume that.	No change in answer, but clarifying that the response "I would assume that" is based on the date December 6, "2005."	As transcribed, the reference to "2008 – 2005" is confusing.
100:11-12	I thought <u>because it happened and</u> Cal-Maine does some short shelf life liquid . . .	I thought <u>that because I happened to know</u> Cal-Maine does some short shelf life liquid. . . "	apparent transcription error
103:9-10	Q. Okay. But other <u>than</u> customers would just buy the product and not further process them; correct?	Q. Okay. But other customers would just buy the product and not further process them; correct?"	apparent transcription error
105:19	Q. Okay. Migration of all MFI controlled <u>own</u> layers	"Q. Okay. Migration of all MFI controlled <u>owned</u> layers"	Apparent error in transcription of question, as the document being read from includes the term "controlled/owned"
106:19-22	Q. All right. No <u>fee</u> withdrawal molting, beak trimming, air quality, handling, transportation, slaughter, noncomingling of eggs must be segregated; <u>correct?</u>	Q. All right. No <u>feed</u> withdrawal molting, beak trimming, air quality, handling, transportation, slaughter, noncomingling of eggs must be segregated; <u>do you see that?</u>	Transcription error. Also note that there are differences between the question as transcribed and the document apparently being read from.

Page:Line	Change From	To	Reason
113:20-22	A. <u>Well, I'm going to try to</u> answer that anyway. Michael Foods <u>essentially</u> <u>evaluated egg products</u> <u>companies</u>	A. <u>I gotta answer that a</u> <u>little, um, let me try and</u> answer that anyway. Michael Foods <u>[is] essentially</u> <u>a value-added egg products</u> <u>company....</u>	transcription error
115:8-9	Q. And then you write back, let's make sure we are capitalizing our pricing.	Q. And then you write back, let's make sure we are capitalizing <u>on</u> our pricing.	transcription error
122:11-13	What we then started doing with people like <u>Sunny Fresh</u> and Fremont Farms and <u>Egg</u> <u>Pro</u>	"What we then started doing with people like <u>Center Fresh</u> and Fremont Farms and <u>I PRO</u> "	transcription error
125:21-24	Q.... And you write, I wanted to follow up on our meeting last week on a couple of issues with respect to setting up an independent AWB certification program. Michael Foods would be very interested . . .	[See text of document questioning attorney is reading from.]	The punctuation in the document the questioning attorney is reading from is different than appears in the transcript. The document reads: "I wanted to follow up on our meeting last week on a couple of issues. With respect to setting up an independent AWB certification program, Michael Foods would be very interested . . ."
127:8	Q.... not on <u>the</u> hunt	"not on <u>a</u> hunt"	transcription error

  
Gregg Ostfander

SUBSCRIBED AND SWORN TO  
BEFORE ME THIS 8<sup>th</sup> DAY  
OF April, 2014.

  
(Notary Public)



Denise Kestel  
COMMISSION #EE 045946  
EXPIRES: NOV. 30, 2014  
WWW.AARONNOTARY.com

## HIGHLY CONFIDENTIAL

[&amp; - 28th]

Page 1

<b>&amp;</b>	<b>0611468</b> 77:17	<b>1100</b> 3:4	122:11
<b>&amp;</b> 1:13 2:8,20 5:16 5:25 43:6 46:10	<b>0611470</b> 77:19	<b>112</b> 4:4	<b>2001/2002</b> 123:11
<b>0</b>	<b>0611698</b> 4:18 91:13 91:19	<b>114</b> 4:21	<b>2002</b> 1:3 29:14 50:12 53:23 55:7 57:8 61:13 106:7 119:2 123:6,20
<b>0000163</b> 4:22 125:13,16	<b>0611699</b> 4:19 91:13 91:20	<b>11:14</b> 97:20	<b>200208</b> 5:6
<b>00013029</b> 4:17 77:12,16,16,18	<b>0614973</b> 4:15 64:5 64:11	<b>11:23</b> 97:24	<b>2003</b> 57:19 60:5 106:8
<b>0002</b> 4:17 77:12,17	<b>0614975</b> 4:16 64:5 64:11	<b>11:41</b> 112:10	<b>2004</b> 46:4 47:1
<b>0004</b> 4:17 77:12,18	<b>08</b> 1:4 25:19 26:17 35:21 67:12	<b>11:51</b> 112:13	<b>2005</b> 69:18 72:15 78:14 80:6,11 84:8 84:19 92:9 94:3 95:9 96:18 98:10 106:10 127:4
<b>0013757</b> 39:4	<b>09</b> 25:19 26:17	<b>11th</b> 92:9	<b>2006</b> 25:14 62:19 103:15,22 104:8,9 104:15 105:2,9,14 105:17,20 106:12 107:19 108:7 109:17 130:7
<b>0040262</b> 4:20 97:9 97:14	<b>0944686</b> 4:12 45:14 45:18	<b>12</b> 4:22 81:7 97:11 123:14,15	<b>2008</b> 98:10 106:14 109:25 128:11
<b>0040263</b> 4:20 97:9 97:14	<b>0944687</b> 4:12 45:14 45:18	<b>12:12</b> 126:17	<b>2010</b> 17:8 25:10 27:15 29:15 32:6 33:8,11 37:16 109:8 109:9
<b>0053741</b> 4:11 38:12 38:18,21	<b>1</b>	<b>12:20</b> 126:21	<b>2014</b> 1:10 5:2 134:11 135:19
<b>0053758</b> 42:9	<b>1</b> 4:11 32:6 38:11,17 38:20,20 44:10 71:21 105:20 106:7 106:8,10,12,14 109:17	<b>12:24</b> 129:13	<b>2015</b> 134:16
<b>0053763</b> 4:11 38:12 38:21	<b>10</b> 2:4 4:20 5:12 32:6 101:10,12 130:20	<b>12:26</b> 133:8	<b>212</b> 2:5,13
<b>0101954</b> 4:23 126:25 127:3	<b>10/8/05</b> 80:4	<b>12:31</b> 129:17	<b>22</b> 134:16
<b>0101958</b> 4:17 91:5,7	<b>100</b> 50:1 55:12,24 58:14,19 60:18 99:11 100:6 101:8 104:22 119:14,16 119:17 120:6,9 121:10,13 126:11 130:21	<b>12:36</b> 1:11 133:6	<b>222-9350</b> 2:9
<b>0101961</b> 91:5	<b>10016</b> 2:4	<b>13</b> 4:22 109:24 120:4 125:12,13	<b>224</b> 3:3
<b>0101962</b> 4:18 91:8	<b>101</b> 2:20 4:20	<b>132707</b> 134:15	<b>2300</b> 2:21
<b>0111951</b> 4:13 49:9 49:12	<b>10110</b> 2:12	<b>13th</b> 105:9	<b>2385</b> 6:15,16
<b>0133867</b> 4:21 114:18,21	<b>10:10</b> 63:12	<b>14</b> 4:23 126:24,25	<b>24th</b> 103:22 104:8
<b>018821</b> 4:13 49:9,11	<b>10:26</b> 63:16	<b>14th</b> 95:9	<b>25</b> 130:19,20
<b>02002</b> 1:4 5:7	<b>10th</b> 84:9,19	<b>15</b> 124:24 130:21	<b>25th</b> 67:19
<b>0319966</b> 4:22 123:15,18	<b>11</b> 4:21 114:17,18 123:20	<b>150</b> 2:16	<b>26th</b> 51:25
<b>0363530</b> 4:14 57:17 57:23	<b>110</b> 53:1	<b>16th</b> 46:3 47:1	<b>27th</b> 50:11
<b>04</b> 32:4		<b>17th</b> 134:10 135:19	<b>28th</b> 105:13
<b>0452047</b> 4:20 101:12,15		<b>1993</b> 21:23 24:19 37:16	
<b>0452052</b> 4:21 101:13,16		<b>1994</b> 24:23 25:9	
<b>05</b> 67:8 79:7 98:16 99:13		<b>1997</b> 27:17	
<b>06</b> 102:15 109:3		<b>1st</b> 53:22	
		<b>2</b>	
		<b>2</b> 4:12 45:11,13 122:11	
		<b>20</b> 136:23	
		<b>2000</b> 113:6 119:2 130:6	
		<b>2000s</b> 6:24	
		<b>2001</b> 29:9 30:24 61:13 119:2,5 122:5	

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430

## HIGHLY CONFIDENTIAL

[3 - alongside]

Page 2

<b>3</b>	<b>612</b> 2:17 <b>64</b> 4:15 106:12 <b>65</b> 130:18,18 <b>655-4328</b> 2:22 <b>660-7672</b> 3:5 <b>67</b> 106:14 <b>6:12</b> 84:19 <b>6th</b> 98:10 103:15	<b>absolutely</b> 33:7 74:21,23 126:16 <b>absolutes</b> 47:8 <b>absorb</b> 120:7 <b>acc</b> 18:2 55:20 58:13 59:1,13,16,25 60:18 69:24 70:8,12,12,13 71:9 74:14 75:2,4 75:21 76:3 80:25 81:25 82:15 85:4 86:1 87:11,25 93:23 96:6,15 99:17 100:9 100:14 104:19,21 107:9 121:22 <b>acceptable</b> 112:4 <b>access</b> 75:2 <b>accommodate</b> 15:17 15:21 <b>account</b> 113:17 <b>accountable</b> 33:24 <b>accurate</b> 15:25 136:5 <b>accurately</b> 44:1 105:23 <b>acknowledgment</b> 136:1 <b>acquire</b> 34:23 <b>acquisition</b> 27:17,19 28:21 31:22 <b>acres</b> 52:3 127:11 128:2 <b>action</b> 2:7 5:17 11:10,11 17:18 18:16 76:15,20 85:11 95:4 135:16 135:17 <b>actions</b> 1:5 <b>activists</b> 96:11,13 <b>added</b> 11:4 61:20 115:22 <b>additional</b> 82:17 120:17 <b>address</b> 6:14 <b>adds</b> 130:21	<b>administration</b> 16:15 <b>admitted</b> 82:18 <b>advantage</b> 73:25 <b>advantageous</b> 115:10 116:3,5 <b>advice</b> 42:12,17 71:16,17 72:1,5,12 75:9 76:20 <b>advise</b> 43:22 <b>advised</b> 78:4 <b>advisory</b> 33:17,17 <b>affect</b> 113:23 <b>affidavits</b> 9:15 <b>affirmations</b> 9:15 9:17 <b>afternoon</b> 83:23 126:23 129:20 <b>agenda</b> 96:14 <b>aggressive</b> 86:2 <b>ago</b> 6:12 9:19 20:23 21:5,13 73:19 75:22 104:1 124:24 <b>agree</b> 55:20 56:2,4,7 68:5 85:1,2 118:5 <b>agreed</b> 56:9 94:12 <b>agreement</b> 105:16 122:16 <b>agreements</b> 48:3,12 117:7 120:19 121:4 <b>ahead</b> 15:7 42:21 45:23 56:14 65:18 82:5,7 86:1 89:13 94:14 104:5 <b>air</b> 106:20 <b>aj</b> 27:18 28:20 <b>al</b> 35:14 <b>alan</b> 6:15 <b>alf</b> 92:12 94:6 <b>alive</b> 24:3 <b>alleging</b> 18:16 <b>allow</b> 70:22 <b>allowed</b> 32:22 <b>alongside</b> 61:9
<b>3</b> 4:13 49:7,11 <b>3/5/14</b> 136:4 <b>30</b> 31:15 32:11,13 33:3,4,4 130:19,20 <b>300</b> 115:6 <b>30th</b> 17:8 25:10 109:7,9 <b>31</b> 127:4 <b>312</b> 2:9 3:5 <b>335-1568</b> 2:17 <b>35</b> 31:15 <b>353</b> 2:8 <b>38</b> 4:11 <b>3rd</b> 1:14	<b>7</b> <b>7</b> 4:17 25:14 91:2,7 91:13 92:3 <b>70</b> 130:13,18 <b>75</b> 109:22 <b>77</b> 4:16 <b>779-1414</b> 2:5		
<b>4</b>	<b>8</b> <b>8</b> 4:18 64:7 91:11,14 91:19 92:2,4 <b>8/22/13</b> 97:11 <b>85</b> 30:19 31:6 <b>8th</b> 69:17 78:14 80:6		
<b>4</b> 4:14 57:22 <b>40</b> 32:12,13 120:2 130:11,12 <b>40th</b> 2:4 5:12 <b>415</b> 2:22 <b>43</b> 58:2 <b>45</b> 4:12 <b>48</b> 109:21 <b>49</b> 4:13	<b>9</b> <b>9</b> 4:19 97:8,13 98:3 <b>90</b> 23:19 30:19,24 <b>90s</b> 7:1 9:20 14:13 14:14,15 <b>91</b> 4:17,18 <b>9132</b> 1:13 <b>93</b> 17:6 33:8,11 <b>94</b> 25:7 27:15 <b>94111</b> 2:21 <b>962</b> 91:6,6 <b>97</b> 4:19 <b>9:04</b> 1:11 5:2 <b>9th</b> 57:19		
<b>5</b>			
<b>5</b> 1:10 4:15 64:3,10 <b>50</b> 23:6 <b>500</b> 2:12 <b>509</b> 105:16 <b>55402</b> 2:16 <b>56</b> 106:7 <b>57</b> 4:14 <b>59</b> 106:8 <b>5th</b> 5:2 105:17			
<b>6</b>	<b>a</b> <b>a.m.</b> 1:11 5:2 63:12 63:16 97:20,24 112:10,13 126:17 <b>ability</b> 92:10 94:5 121:19 <b>able</b> 34:13 51:6 110:8		
<b>6</b> 4:3,16 77:9,11 <b>60</b> 130:12 <b>60604</b> 3:4 <b>60654-3456</b> 2:9 <b>608-1900</b> 2:13 <b>61</b> 106:10			

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430

<b>alternative</b> 61:2,17 61:18 62:4,22 76:1 111:16,24 112:3 122:2,22 123:3 126:4 <b>alternatives</b> 60:7 61:1 <b>amount</b> 120:10,19 120:21 <b>analysis</b> 108:14 130:25 132:8 <b>anderson</b> 31:8,25 <b>animal</b> 34:18 49:19 49:22 50:14 51:22 51:24 52:22 54:1 55:4,4,9,16 57:3,5 58:25 59:1,1,3,17 59:18,23 61:6,9,23 62:5,13 63:4 67:21 68:10,13,18,20 69:1 69:3,5,8 70:8 71:4,7 74:20 76:1 94:17 96:10,13 104:13 112:1 122:23 124:5 <b>animals</b> 94:16 <b>anita</b> 78:11 <b>annual</b> 40:19 46:22 110:14 <b>anonymous</b> 20:2 <b>answer</b> 13:14 15:9 15:20 18:13 31:11 42:21,22 59:10,12 70:22 98:20 99:23 100:20 113:20 131:18 <b>answered</b> 56:16 114:24 <b>answering</b> 15:10 70:23 <b>anticompetitive</b> 75:22 <b>antimonopoly</b> 39:24 <b>antitrust</b> 1:4 5:6 37:17,19,23 39:19 39:22,24 41:5 42:11	42:19 43:15 46:3,25 <b>anybody</b> 5:23 19:9 19:12 20:3,18,19 29:16 41:10 42:16 43:12,13 44:21 46:18 47:18,25 48:4 48:9,15,21 49:2 73:9,14,18 75:15 132:21 <b>anymore</b> 23:7,10 29:4,11 122:11 <b>anyway</b> 58:14 86:11 107:11 113:20 119:23 <b>apparently</b> 80:6 81:8 94:1 126:5 <b>appeal</b> 11:24,25 12:1 <b>appealed</b> 11:23 <b>appear</b> 125:18 <b>appearance</b> 63:19 <b>appearances</b> 2:1 3:1 5:10 <b>appeared</b> 134:7 <b>appearing</b> 2:22 3:5 <b>appears</b> 80:7 <b>applications</b> 85:7 <b>applied</b> 120:9 <b>apply</b> 124:4 <b>appreciate</b> 51:21 <b>appropriate</b> 91:14 <b>approval</b> 34:10,25 68:10 69:2 <b>approved</b> 52:6 <b>approving</b> 67:20 <b>approximately</b> 5:2 17:4 35:20 52:25 <b>april</b> 53:22 55:7 57:8,18 60:5 106:7 106:10,14 <b>aranoff</b> 2:2 4:4 5:11 5:11 6:1,10,12 12:25 38:1,6,9,14 39:12,17 42:24 45:16 49:13 51:2,6	51:9 52:17,19 56:15 57:24 63:10,17,23 64:14 66:25 68:16 71:12 77:14 78:21 78:22 84:13 85:18 85:21 86:9 87:13 90:25 91:9,21 93:5 93:8 94:23 97:16,25 98:17,22,23 101:14 112:8,18 125:9 126:13 129:4 132:4 133:3 <b>area</b> 27:9 66:24 130:7 <b>areas</b> 85:5 <b>arm</b> 113:13 132:18 <b>armour</b> 17:1,2 <b>arthur</b> 1:13 <b>ashley</b> 2:19 5:24 <b>aside</b> 49:5 60:25 111:10 <b>asked</b> 26:24 27:22 44:8 79:16 83:21 90:16 <b>asking</b> 17:21 20:6 78:24 93:21 125:4 <b>ass</b> 90:20 125:6 <b>assessment</b> 96:4 108:20 112:7 <b>associate</b> 27:21 <b>associated</b> 13:13 <b>association</b> 43:20 111:4,5,7 <b>assume</b> 14:8 15:9 21:14,16 22:8 23:14 24:23 25:3,7 27:15 36:25 77:2 84:3,8 90:19 98:10,11 100:12 105:3 106:1 114:10 124:11 <b>assumed</b> 115:18 <b>assuming</b> 13:20 72:22 124:19 <b>assumption</b> 42:4 89:23 100:14	102:11 114:1 <b>assumptions</b> 72:23 <b>assurance</b> 66:1 <b>assure</b> 110:15 <b>atlanta</b> 64:24 67:5 67:15,19 <b>attempt</b> 48:7,18 115:23 118:14 <b>attempting</b> 26:5 <b>attend</b> 43:20 46:21 67:14 <b>attended</b> 46:22 47:2 <b>attorney</b> 135:14,15 <b>attributable</b> 103:21 <b>audience</b> 92:14 94:9 <b>audit</b> 110:14 <b>august</b> 19:1 103:22 104:8 127:4 <b>authored</b> 40:4 102:6 102:7 <b>authority</b> 33:20 134:6 <b>authorized</b> 34:3 135:8 <b>autonomy</b> 33:15,16 33:20 <b>available</b> 31:16 33:6 <b>avenue</b> 2:12 3:3 75:2 <b>average</b> 30:19 <b>aware</b> 43:11,20 81:11 90:13 114:2 118:11 119:3,6 <b>awareness</b> 127:19 <b>awb</b> 58:4,25 59:13 59:18 125:23 <b>awkward</b> 68:19
			<b>b</b>
			<b>b</b> 4:8 <b>ba</b> 16:16 <b>back</b> 18:25 25:15,17 25:20,25 26:16 63:24 78:8 80:11,14 83:16 92:15 94:9



## HIGHLY CONFIDENTIAL

[back - buy]

Page 4

95:11 98:16 102:14 113:6 115:8,24 118:25 119:23 121:19 123:6 124:7 <b>background</b> 16:12 93:6 <b>backing</b> 119:1 <b>bacon</b> 64:22 65:25 66:1 <b>bad</b> 52:1 86:6 95:17 <b>bailey</b> 64:23 66:13 66:14 <b>baker</b> 20:13,19 21:4 21:6 38:1,4,25,25 41:15 42:2 45:19,19 64:7,7,16 66:23 67:24 69:14,18 70:20 71:14 92:7 95:8,9 97:11 98:8 98:25 99:15,23 127:18 <b>baking</b> 85:7 <b>balance</b> 122:21 <b>ball</b> 64:21 65:22,23 <b>barry</b> 118:8 <b>base</b> 61:25 96:24 <b>based</b> 28:9,10 62:16 71:23 75:10 87:6 106:16 107:23 114:12 116:7,25 117:5 118:17 131:11 <b>basic</b> 27:11 <b>basically</b> 100:12 <b>basis</b> 40:19 44:11 <b>bates</b> 4:11,12,14,15 4:19 38:11,18 39:3 45:13,17 49:8 57:17 57:22 64:5,10 77:15 77:17 91:3 97:9,13 <b>bathes</b> 91:12 <b>beak</b> 106:19 <b>bean</b> 116:9 <b>bearing</b> 38:18 45:17 49:8 64:4 77:15	91:12 97:9 <b>bears</b> 57:16 <b>beaters</b> 71:5 <b>beatrice</b> 16:24,25 <b>bebee</b> 20:10,19,22 20:24 21:2 41:18 42:2 50:8,20,21 51:23 52:24 53:23 64:22 66:5 127:18 <b>began</b> 21:22 <b>beginning</b> 24:19 <b>begins</b> 105:20 <b>behalf</b> 5:12,17,19 17:15 <b>belief</b> 87:10,23 118:4 <b>believe</b> 6:25 8:14 11:21 17:18 18:17 19:23 32:4 33:3,5 35:21 38:19 40:18 52:22 59:12 61:18 65:15 71:18 74:23 83:22 84:4 100:24 111:4,8 113:1,13 119:5 124:25 <b>believed</b> 74:22 <b>bend</b> 92:11 94:6 <b>benson</b> 2:19 5:24 <b>bernstein</b> 2:3 5:11 5:14 <b>best</b> 14:9 15:8 34:5 56:3 61:19 105:5,23 106:3,24 107:6,24 108:12 110:2,25 112:19 124:25 <b>bet</b> 84:25 <b>beth</b> 78:9 79:12 83:21 85:1 88:17,21 88:24 89:3,4,19,21 90:6,11,14 95:10 123:25 124:2 <b>beth's</b> 85:3 <b>better</b> 10:25 62:2 76:19 81:13 85:6 131:14	<b>betterment</b> 34:2 <b>betty</b> 77:6 79:21 80:1,14,16 82:4 89:5 <b>beyond</b> 22:19 27:19 47:12 <b>bias</b> 127:24 <b>big</b> 77:23 78:2 122:7 <b>bill</b> 18:21 19:15,19 31:8,23 50:8 51:18 51:19 57:18 <b>billion</b> 119:21,22 120:14 <b>bird</b> 58:19 106:16 <b>birds</b> 53:1 58:14 120:17 121:3 <b>bit</b> 17:20 28:4 33:20 85:22 111:15 112:24 119:1 <b>bizarre</b> 81:1 <b>block</b> 2:8 5:16 <b>board</b> 22:12,14,16 24:13,14 25:21 27:10,12,16,18,20 27:22,23 28:1,5,6,9 28:12,14,18,23 29:2 29:17,20,25 30:1,7 32:1,11,12,18 33:13 33:16 34:4,10,25 36:5,8,12,23 37:1,9 51:15,18 52:7 64:24 67:5,14,19 68:10 69:1 93:21 <b>bob</b> 78:12 124:8,9,9 124:12 125:1,17 <b>bodies</b> 39:25 <b>bottom</b> 39:19 47:9 115:3,5 <b>bought</b> 23:11 29:6,7 29:10 116:12 <b>boulevard</b> 6:16 <b>boycott</b> 48:18 <b>branded</b> 71:5 <b>brann</b> 46:10	<b>break</b> 15:17,19,21 28:4 63:11,14 97:17 97:22 112:8,11 126:19 129:2,5,15 <b>breakers</b> 48:3 <b>brian</b> 78:12 <b>brief</b> 7:6 <b>briefly</b> 16:11 <b>bring</b> 74:19 <b>broad</b> 131:23 <b>broke</b> 98:3 <b>brought</b> 25:15,19 <b>brown</b> 2:7 4:5 5:16 5:16 112:15,16 114:20 123:17 125:11,15 126:16 126:22 127:2 129:1 129:9 <b>buckeye</b> 52:4,5,13 52:16,20 <b>build</b> 121:2 122:8 122:14 <b>building</b> 96:5 <b>built</b> 61:15 <b>bulk</b> 57:1 128:23 129:24 <b>bullet</b> 47:12,22 48:2 48:11 <b>bundy</b> 1:18 5:9 134:14 135:6,22 <b>burger</b> 61:6,9,12,15 62:4 96:8,12 123:1 <b>business</b> 8:3,3 16:14 16:15 27:21 33:21 38:22 40:1 41:11 48:19 57:1,1 65:3,7 65:16 66:12 78:2 81:24 115:2 120:7 127:25 130:18 <b>businesses</b> 33:24,25 <b>buy</b> 32:22 62:25 71:4 103:4,9 113:1 115:18 117:8,18 118:3 121:14 122:20
--	--	---	---

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430

## HIGHLY CONFIDENTIAL

[buyer - commitment]

Page 5

<b>buyer</b> 78:3 80:16,18 81:3 <b>buying</b> 62:20 103:1 131:10	14:9,11,16 17:21 18:12,14 20:16 57:9 91:24 129:22 <b>cases</b> 13:14 15:3 <b>categorized</b> 79:5 <b>category</b> 80:3,5 <b>catherman</b> 21:12,14 41:21 42:2 64:22 66:7,17,21,22 <b>cathy</b> 78:10 <b>caused</b> 119:18 <b>caution</b> 70:23 <b>caveat</b> 34:7 <b>cc</b> 64:21 78:12 <b>ceo</b> 7:15 22:5 25:2,6 25:13,18,19,24 26:16,19 33:11 41:12 46:6 50:18 96:19 103:23 130:6 <b>certain</b> 51:16 53:3 <b>certainly</b> 8:14 10:25 11:11 75:12 84:16 125:3 127:14,16,19 <b>certificate</b> 134:1 135:1 <b>certification</b> 57:11 58:5,21 59:2,23 60:24 63:4,7,8 124:5 125:23 <b>certified</b> 52:22 53:3 53:7 55:5,9,15 57:3 57:5,12 58:3 59:17 62:22 68:13,18 69:4 69:5,8 70:8 71:4,7 87:4 96:21 104:14 107:25 108:8,23 110:8,12 112:1 119:3,11 121:22 122:2,23 123:10 124:13,22 128:7,18 128:19,22 135:6 <b>certify</b> 57:11 75:3 134:6 135:7,13 136:2,4	<b>cetera</b> 37:2 59:4,5 82:16 <b>cfo</b> 14:19 <b>chain</b> 50:7 64:16 <b>chairman</b> 7:15 22:5 24:16 25:14,20,20 103:23 <b>chance</b> 98:2 <b>change</b> 97:16 118:8 118:8 131:22 <b>changed</b> 24:24 28:2 108:2 116:16 <b>changes</b> 28:2 45:7 <b>charge</b> 131:4 <b>charging</b> 118:15 <b>charles</b> 64:23 66:13 <b>check</b> 34:4 <b>checked</b> 72:20 <b>chicago</b> 2:9 3:4 17:1 26:9 <b>chicken</b> 116:14 <b>chief</b> 14:7,20 21:24 22:8 24:17,18 25:16 65:23 66:11 <b>chocolate</b> 26:9 <b>chose</b> 74:11 121:17 122:10 <b>christmas</b> 68:2 <b>chuck</b> 66:14 <b>circumstance</b> 28:11 42:16 <b>circumstances</b> 10:1 24:12 26:6 28:9 <b>cities</b> 54:19 <b>claim</b> 7:10 <b>claims</b> 82:15 <b>clarified</b> 75:22 <b>clarify</b> 79:6 115:4 <b>clarifying</b> 70:12 <b>clarity's</b> 16:2 <b>clark</b> 2:8 <b>clarkson</b> 31:8 32:1 64:16 65:1,2 76:22 76:23 92:6 98:9,25	<b>class</b> 1:16 2:2 5:13 17:18 18:16 132:11 <b>classify</b> 11:4 <b>clear</b> 7:20 13:12 34:17 38:24 42:25 43:11 51:5 61:16 62:18 83:5 86:24 95:17 107:9,15,15 111:25 <b>clearly</b> 15:24 85:8 <b>clears</b> 105:10 <b>clr</b> 1:19 135:23 <b>club</b> 80:8,15 81:24 81:25 85:4 87:17,24 96:2 <b>coast</b> 66:9,24 <b>coerce</b> 48:24 <b>coincided</b> 25:3 32:7 <b>collected</b> 37:4 <b>collective</b> 127:6 <b>college</b> 16:13 <b>collier</b> 134:4 135:4 <b>colluded</b> 18:17 <b>collusion</b> 37:25 <b>color</b> 125:9,10 <b>colwell</b> 64:18 65:9 65:10,11 <b>combination</b> 128:22 <b>come</b> 83:16 92:11 94:5,24 <b>comes</b> 52:6 <b>coming</b> 67:20 96:16 <b>comingling</b> 110:17 <b>commenced</b> 76:11 <b>commensurate</b> 27:4 <b>comments</b> 78:5 <b>commission</b> 130:24 134:15 136:25 <b>commissioned</b> 131:9 <b>commit</b> 122:16,18 <b>commitment</b> 80:20 80:25 81:5 103:20 103:25 104:18,22 105:8,9,12,24
<b>c</b>			
<b>c</b> 43:19 <b>ca</b> 2:21 <b>cage</b> 59:4,24 61:7 94:19,25 95:1,3 104:3 105:20 106:7 109:14,25 <b>cages</b> 120:4 122:9 <b>cajoled</b> 85:8 <b>cal</b> 52:3 100:11 127:11 128:2 <b>california</b> 2:20 <b>call</b> 25:25 86:12 88:7 89:21 <b>called</b> 46:10 <b>calls</b> 80:19 <b>campaign</b> 86:3 <b>capacity</b> 17:10 <b>capital</b> 27:25 34:8 34:22 122:7,10,19 <b>capitalized</b> 115:25 115:25 <b>capitalizing</b> 115:9 115:16 <b>cards</b> 68:2 <b>care</b> 52:22 55:4,4,9 57:3,5 59:17 68:13 68:18 69:4,5,8 70:8 71:4,7 104:13 112:1 130:2 <b>carlson</b> 78:10 123:25 124:2 <b>carolina</b> 12:18 <b>case</b> 5:5,6 6:25 7:1,2 7:7,8,17,22 8:13,17 8:22,25 9:2,6,14,20 9:22,23,24 10:2,3 11:7,12,17,20,23,25 12:4,8,9,12,14,17,21 13:2,3,6,9,17 14:1,2			

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430

## HIGHLY CONFIDENTIAL

[commitments - cost]

Page 6

<b>commitments</b> 53:5 <b>committed</b> 104:1 <b>committee</b> 46:3,25 49:23 51:24 52:2 68:10 69:1 <b>common</b> 90:7 <b>communication</b> 20:24 <b>communications</b> 70:24 <b>companies</b> 29:23 30:18 53:1,17 113:22 <b>company</b> 7:14 11:5 14:22 17:15 22:2,17 22:24 23:7,10,20,24 23:25 24:7,12,14,16 25:4,9 26:3,10,22 28:3,16,17,19,21 29:7,9,10,20 30:2 30:20,23 32:23,25 33:14,16 34:2,5 35:10 36:6,14 40:11 42:12 43:2,23 50:18 51:12,17 53:2,5 61:21 66:4 68:18 69:5 75:16 76:18 81:3 83:8 107:20 114:2 118:12 122:5 122:6 128:1 130:11 <b>company's</b> 42:17 43:5 45:1 <b>compete</b> 92:10 94:5 <b>competition</b> 39:24 <b>competitive</b> 71:10 73:24 95:5 121:5 <b>competitiveness</b> 95:16 <b>competitor</b> 69:23 <b>competitors</b> 43:21 <b>complete</b> 18:14 27:9 110:14 135:11 <b>complex</b> 58:20 119:20	<b>complexes</b> 53:3 <b>compliance</b> 39:19 69:24 71:20 110:9 110:15,21 111:1 <b>compliant</b> 128:8,11 128:12,17 <b>complied</b> 108:22 <b>comply</b> 39:23 <b>complying</b> 55:12 109:2,5 <b>component</b> 111:9 116:16 <b>composition</b> 27:9 <b>comprised</b> 27:16 28:15 31:5 <b>conag</b> 69:23 70:6 <b>conagra</b> 70:6 71:3 71:11 <b>concern</b> 74:12,15 <b>concerned</b> 69:22 94:15 <b>concerns</b> 75:14 88:2 90:2 <b>concerted</b> 85:24 <b>conclude</b> 41:25 <b>concluded</b> 14:16 133:8 <b>concludes</b> 53:18 133:5 <b>conclusion</b> 71:14 76:14 94:24 <b>conduct</b> 38:22 41:11 42:10 44:10 71:21 88:3 96:1 <b>conducts</b> 40:1 <b>confidence</b> 84:25 88:18 <b>confidential</b> 1:7 38:19,22 45:18 49:9 57:17 64:6 97:10 <b>configuration</b> 109:22 <b>confusing</b> 38:10 56:12 91:4	<b>conjunction</b> 91:11 <b>connected</b> 135:16 <b>consequences</b> 121:12 <b>consider</b> 81:3 122:1 122:22 127:12 <b>consideration</b> 113:24 119:18 <b>considered</b> 41:15,18 41:21 118:17 <b>considering</b> 99:10 100:5 <b>consistently</b> 82:23 <b>constituted</b> 60:4 <b>consumer</b> 81:4 82:20 102:21 <b>consumers</b> 81:11,14 131:13 <b>contact</b> 43:10 73:1 <b>contained</b> 41:4 42:18 43:15 84:15 110:3 <b>containers</b> 115:6 <b>contemplated</b> 60:11 <b>contents</b> 76:21 88:22 90:15 <b>context</b> 41:11 91:15 115:17 <b>continued</b> 3:1 <b>continues</b> 52:24 53:7 68:15 77:16,18 85:14 <b>continuing</b> 109:12 113:7 <b>continuous</b> 91:10 <b>contract</b> 48:13 120:22 122:14 <b>contracted</b> 62:11 114:13 119:24 <b>contracts</b> 53:5 116:25 <b>contrary</b> 121:1 <b>control</b> 86:4 118:20 118:21	<b>controlled</b> 105:19 <b>controller</b> 66:3 <b>conversant</b> 82:14 <b>conversation</b> 81:23 90:6 <b>conversations</b> 78:19 98:15 <b>conveying</b> 93:17,20 <b>copied</b> 69:19 <b>copy</b> 12:6 <b>corn</b> 116:9,12 <b>corner</b> 102:3 <b>corporate</b> 17:11,23 18:4 <b>correct</b> 7:24,25 11:3 13:6 16:5 22:10,12 23:21 26:17 34:6,7 34:14,15,20,25 36:2 36:25 50:18,21 51:1 51:13 55:13 56:17 57:13 59:9,12,13 60:5,6,9 61:19 62:24 63:8 69:20 70:4 73:11 76:14,16 82:3 84:2 85:1 88:10 89:3,14 91:6 93:25 103:10,23 104:9,16 105:2,4 106:4,22 107:2,7,20 107:25 108:4,12,24 109:25 110:9 117:25 118:23 121:11 125:16 127:4 128:15 129:25 <b>correcting</b> 51:21 <b>correction</b> 136:8 <b>corrections</b> 136:6 <b>correctly</b> 86:18 115:13 <b>cost</b> 34:23 62:14 81:6,9 82:16,17,19 94:25 114:4,7 115:18,23 116:7,9,9 116:11 117:18,20
--	--	--	---

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430

## HIGHLY CONFIDENTIAL

[cost - disapproved]

Page 7

118:2,3,9,10,16,24 120:4,7 121:5,19,23 121:24 127:16 <b>costs</b> 113:23 114:10 115:21,22 116:16 120:24 <b>counsel</b> 5:9,22 35:2 35:4,9,13,14,16,19 40:10 42:13,17 43:2 43:5,7,8,12,14,23 45:1 70:24 71:16,17 72:2,5,12,17,24 73:15 74:24 78:19 78:24 98:15,21 135:14,16 <b>countries</b> 39:25 <b>country</b> 128:5 <b>county</b> 134:4 135:4 <b>couple</b> 45:21 49:5 50:4 57:20 74:5 112:17 125:22 126:14 <b>course</b> 44:23 88:3 113:24 <b>court</b> 1:1 8:15,19,20 8:20 11:9 15:22 38:16 57:15 64:2 135:6 <b>courteous</b> 91:23 <b>covered</b> 117:7 <b>create</b> 61:21 <b>cross</b> 4:4,5 112:14 129:18 <b>crr</b> 1:19 135:23 <b>crystal</b> 33:23 54:4 123:23 <b>cub</b> 54:5,12,14,16 54:16 <b>current</b> 87:7 <b>currently</b> 13:21 28:1 60:4 109:21 110:20 <b>curtail</b> 48:19 <b>custodian</b> 132:8	<b>custom</b> 61:14 <b>customer</b> 54:4,9,10 56:19,19 58:3 61:25 62:9,9,13,15,17 81:2 96:24 97:4 102:14,16,17,23,25 103:4 107:11 117:16 <b>customers</b> 54:17 56:25 57:3,10,10 58:2 59:3 61:5,22 62:1,9,17,20 63:3,5 63:6 74:17 75:3 85:25 87:12,14,16 90:3,8,9 95:18 96:1 96:7,9,12 97:2 99:17 100:8,13 103:9,11,12,13 111:13,25 112:3,4,5 112:25 117:21 120:3,6 121:21,22 124:16,18,22 125:4 130:1,4	<b>days</b> 84:1 <b>deal</b> 82:15 <b>dealing</b> 95:15 <b>dean</b> 78:10 <b>december</b> 98:10,16 99:13 <b>decide</b> 119:18 <b>decided</b> 18:2 104:19 108:18 119:9 <b>decision</b> 27:5 30:8 33:13 34:2,4,13,13 56:8 58:4,10,11,12 81:8 95:11 96:16,23 105:4 107:13 108:6 119:14 120:8 121:18 125:3 <b>decisions</b> 26:12 33:12,15 34:11 <b>decreased</b> 120:10,12 <b>defendant</b> 2:14,18 3:2 5:22,25 <b>definition</b> 10:15 40:22 59:24 71:1,1 102:22,24 <b>degree</b> 16:14,15 <b>deinard</b> 43:6 <b>demand</b> 81:4 114:15 116:10,15 120:2 131:22 <b>demands</b> 61:24 <b>demographics</b> 131:12 <b>dennis</b> 13:22 41:1 <b>density</b> 59:4 95:1 109:25 120:4 <b>department</b> 131:4 132:9 <b>departure</b> 25:4 26:6 <b>deponent</b> 6:2 136:1 <b>deposed</b> 6:21 8:14 11:11 21:7 <b>deposition</b> 1:9 5:3 8:13 15:16 18:20,20 18:25 20:9,13,15 38:2,24 45:19 64:6	129:22 133:5,8 135:1,9 <b>depositions</b> 15:5,18 <b>describe</b> 10:20 <b>description</b> 7:7 16:11 <b>designated</b> 17:23 <b>designee</b> 17:11 <b>desire</b> 62:16 81:25 <b>determination</b> 96:20 <b>determine</b> 30:1,7 74:25 108:15 <b>determines</b> 40:20 <b>determining</b> 27:1 <b>develop</b> 61:9 <b>developing</b> 122:1,22 <b>development</b> 65:21 65:24 119:3 <b>devices</b> 37:12 <b>devotion</b> 81:2 <b>dialogue</b> 75:12 123:7 <b>diane</b> 64:18 65:14 65:15 92:7 <b>dick</b> 22:7,22 24:16 <b>dictate</b> 96:13 <b>difference</b> 59:15 <b>differences</b> 59:21 <b>different</b> 33:3 58:18 58:25 60:7,10 103:13 107:12 116:8 131:11 <b>direct</b> 1:5,16 2:2,7 4:3 5:13,15,17 6:9 <b>directing</b> 118:23 <b>direction</b> 75:10 92:14 94:8 118:24 <b>directly</b> 7:12 <b>directors</b> 22:12,14 22:16 36:5 <b>disadvantage</b> 71:10 <b>disagree</b> 56:10 <b>disapproved</b> 52:7
	<b>d</b>		
	<b>d</b> 2:11 4:1 <b>dairy</b> 16:23,24 130:10 <b>damages</b> 12:3 <b>dana</b> 2:3 5:14 <b>dap</b> 38:25 45:19 <b>data</b> 132:2,9 <b>date</b> 1:10 104:17 105:1,10 106:16 108:25 128:8 <b>dated</b> 57:18 78:13 103:14 127:4 135:19 <b>dates</b> 61:4 107:1,4 <b>dave</b> 26:2 <b>day</b> 33:25,25 52:4 69:17 112:7 118:12 134:10 135:19 136:23		

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430

## HIGHLY CONFIDENTIAL

[discredit - entering]

Page 8

<b>discredit</b> 85:24 <b>discrimination</b> 6:25 7:2,8,17,22 12:8,12 13:9,17 <b>discuss</b> 58:6 75:14 75:18,20 86:12,13 88:7,8,12,24 89:18 90:17 95:20 <b>discussed</b> 20:7 41:3 41:7,10 47:25 48:4 73:1 89:23 90:6 124:9 <b>discussing</b> 43:21 48:9,15,21 49:2 75:25 81:18 <b>discussion</b> 75:13 90:10,24 <b>discussions</b> 87:21 88:21 90:14 123:2 124:12 126:3 <b>disseminate</b> 40:24 <b>disseminated</b> 44:11 <b>distinction</b> 59:11 <b>district</b> 1:1,1 <b>division</b> 7:11 16:24 33:22,23 51:19 123:23 <b>divisional</b> 33:18,19 <b>divisions</b> 7:10 <b>document</b> 1:5 4:16 38:18,21 39:3,9 40:4,6,9,14,16,18 41:13 42:3,8 45:17 45:25 46:24 47:7 49:8,10 50:4 57:14 57:16 64:4 67:10 77:11,15,23 78:7,7 78:9,25 79:4,5,11 80:3,9,10 91:3,16 91:24 97:8,10 98:3 98:5,8,13,18 101:15 101:20 102:2,6,8,10 102:13 103:18 105:8 109:12 111:10	<b>documentation</b> 110:20 <b>documents</b> 18:22 21:19,21 <b>doing</b> 25:23 71:19 90:8 122:12 126:8 <b>dollar</b> 34:12 <b>dollars</b> 34:8,9,22,24 <b>dolph</b> 99:15,23 <b>doors</b> 96:11 <b>double</b> 38:9 <b>drafted</b> 84:2 89:13 <b>dramatically</b> 31:15 <b>driven</b> 61:24 <b>drop</b> 127:8,15 <b>dropped</b> 87:8,18 <b>dropping</b> 86:3 115:21 127:12 <b>dry</b> 85:7 <b>ducks</b> 95:19 <b>duly</b> 6:6 90:21 134:7 <b>dwyer</b> 26:21,22,25	<b>earth</b> 76:24 <b>easier</b> 38:2 <b>east</b> 2:4 5:12 66:9,24 <b>eastern</b> 1:1 <b>easy</b> 120:8 <b>eckrich</b> 17:1,2 <b>economic</b> 81:4 <b>educational</b> 16:12 <b>ee</b> 134:15 <b>effect</b> 30:6 61:15 <b>effective</b> 109:17 <b>effort</b> 85:24 <b>efforts</b> 34:23 48:24 <b>efron</b> 22:19 23:23 24:12 27:12 <b>egg</b> 1:3 8:3 10:5,16 10:17 11:4 14:21 33:22 48:3 49:17 51:19 55:21 57:2 60:17 61:8,20 62:12 65:3 66:3,12,23 68:3,18 69:4,9,10 71:5,6 74:11 76:2,2 81:12,24 86:25 87:1 87:15 94:18,21,25 96:5 99:10 100:25 102:22 104:2,13 110:17 111:4,5,7,9 112:20 113:1,5,9,21 113:25 115:1,22 116:6,7,10,11,14,15 116:19,21 117:4 118:9 119:20 122:13 124:5 127:23,24,25 128:1 128:4 130:9,14,16 130:16,17 131:14 <b>eggs</b> 5:5 10:14 47:14 48:12 57:3 58:3 61:10,11 62:10,11 68:13 69:4,8 75:4 81:7 85:6,7 94:19 95:6 99:17 100:9,14 103:1 106:21 112:20 113:14,15	113:18,23 114:8,11 114:13,13 115:2,4 115:18,20 116:17 117:8,17,18,24 118:2,14 119:22,24 120:10,12,14,21 121:4,6,22 122:17 122:20 128:15,18 128:19,19,20,22,23 128:23,24 131:14 131:15,22 <b>eight</b> 14:12 28:14 32:18 <b>eimer</b> 3:3 63:21 <b>either</b> 8:24 12:7 13:12 20:18 29:12 37:5 44:13,15 58:19 62:3,21 73:6 89:24 121:13 <b>electronic</b> 37:11 <b>electronically</b> 37:5 <b>elliott</b> 92:7 <b>emblem</b> 102:1 <b>employed</b> 7:18,23 8:8 17:7 35:22 46:6 <b>employee</b> 6:24 7:2 7:10,11 8:2,5,7,10 9:24 28:18 40:21 41:16,19,22 44:18 44:18 103:22 135:13,15 <b>employees</b> 28:16,25 29:3 40:17,19,25 41:7,13 44:11,15 84:21 <b>employment</b> 7:3,7 7:17,22 12:8,11 13:9,17 <b>ended</b> 58:17 76:14 <b>engage</b> 42:10 112:22 <b>enter</b> 108:19 120:18 121:3 <b>entered</b> 27:6 <b>entering</b> 60:3 62:3,6
--	--	--	---

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430



## HIGHLY CONFIDENTIAL

[entire - food]

Page 9

<b>entire</b> 14:9 35:10 53:2	4:20,21,22,22,23 38:11,25 45:13,20 49:11 57:22 64:10 77:11 91:7,19 97:10 97:13 101:12 114:18 123:15 125:13 126:24,25	<b>facility</b> 122:20 <b>fact</b> 60:21 62:12 74:18 77:24 81:9 120:25 123:1 <b>factor</b> 118:17 <b>failure</b> 47:24 48:19 <b>fair</b> 31:20 40:13 55:7 56:1 70:14 83:7 86:20 87:2 88:1 94:12 95:24 96:4 108:17,20 <b>familiar</b> 15:5 39:9 39:13 41:13 46:9,12 46:15 91:17 <b>family</b> 22:18 131:11 <b>fancy</b> 37:12 <b>far</b> 20:16 29:17 35:25 67:2 86:5 <b>farm</b> 122:17 <b>farms</b> 33:23 54:4 66:6 92:8 121:2 122:8,13 123:23 <b>father</b> 23:15 <b>fd</b> 117:10 <b>february</b> 17:6 67:8 69:17 72:15 <b>federal</b> 8:20 11:8 37:24 <b>fee</b> 106:19 <b>feed</b> 116:13 <b>feedback</b> 51:23 73:17 112:2 <b>fellow</b> 26:1 <b>fifth</b> 2:12,16 48:11 <b>fight</b> 74:25 <b>figure</b> 25:23 <b>file</b> 37:8 <b>final</b> 131:25 <b>finalizing</b> 110:20 <b>finally</b> 48:24 110:6 <b>financial</b> 14:7,20,21 66:11 <b>financially</b> 135:16 <b>find</b> 38:2 73:14	<b>fine</b> 131:21 <b>finish</b> 51:2,7 <b>finished</b> 14:14 31:10 31:11 61:12 <b>fire</b> 90:20 <b>firm</b> 12:18 13:2,12 30:22 36:1 46:10,19 <b>firms</b> 13:13 <b>first</b> 6:6 27:25 40:4 43:18 45:24 47:12 50:7 54:12 64:15 65:1,9 70:3 78:7 93:10 98:7 103:15 119:12 122:6 125:20,20 130:7 <b>five</b> 31:7 63:10 81:10 97:17 112:8 120:6 <b>fixing</b> 17:19 37:25 <b>fl</b> 1:14 <b>flocks</b> 61:10 71:3,3 109:17,21 114:11 116:12,20 119:25 120:10 <b>floor</b> 1:14 <b>florida</b> 5:5 6:17 134:3,15 135:3,7 <b>fluctuate</b> 131:22 <b>fmi</b> 53:11,13 <b>focus</b> 39:3 61:21 <b>folks</b> 27:16 31:5,20 31:20 36:18 69:19 74:19 90:13 <b>follow</b> 47:24 48:20 73:13 74:3 75:12 124:7 125:21 <b>following</b> 68:11 69:2 <b>follows</b> 6:7 <b>food</b> 53:14,15 54:9 56:19,25 57:2 58:2 65:6 99:16 100:8 103:12 115:11 117:10 118:15 129:24 130:1,3,10 130:17 132:12
<b>entry</b> 105:12	4:20,21,22,22,23 38:11,25 45:13,20 49:11 57:22 64:10 77:11 91:7,19 97:10 97:13 101:12 114:18 123:15 125:13 126:24,25		
<b>equal</b> 75:2	<b>existence</b> 40:7,10 <b>existing</b> 68:12 69:3 <b>expand</b> 33:1 34:23 122:11 <b>expanded</b> 31:15 <b>expansion</b> 93:22 <b>expect</b> 51:25 <b>expecting</b> 68:2 <b>expensive</b> 95:1 100:16 <b>experience</b> 131:21 <b>expires</b> 134:16 136:25 <b>explain</b> 25:12 33:12 <b>explored</b> 127:16 <b>exploring</b> 58:24 59:5 60:23 111:24 <b>export</b> 114:1 115:6 117:22,24 118:8,13 <b>exported</b> 113:14,15 <b>exporting</b> 114:8 115:20 <b>exports</b> 112:20,22 113:17 119:2 <b>extended</b> 10:5,14,15 86:25 <b>extension</b> 95:24 <b>extensively</b> 114:12 <b>extent</b> 95:2 116:12 <b>external</b> 121:2 <b>externally</b> 119:24 128:15 <b>extremely</b> 82:14		
<b>equity</b> 27:25 29:19		<b>f</b>	
<b>equivalent</b> 62:5		<b>face</b> 19:5,5 77:24 <b>facilities</b> 69:10 104:2 122:15	
<b>esl</b> 10:11 85:5 86:24			
<b>esq</b> 2:2,3,7,11,15,19 3:2			
<b>essenmacher</b> 2:11 4:6 5:19,19 129:7 129:19,21 132:6,13 133:4			
<b>essentially</b> 32:7 33:13 59:24 94:19 113:21			
<b>establish</b> 110:22			
<b>estimation</b> 42:1 62:2 107:23			
<b>et</b> 37:2 59:4,5 82:16			
<b>ethical</b> 94:16			
<b>ethnicity</b> 131:11			
<b>evaluated</b> 113:21			
<b>events</b> 79:5			
<b>evidenced</b> 108:3			
<b>evident</b> 80:17			
<b>exact</b> 104:17			
<b>exactly</b> 65:12 92:13 94:8 101:7 111:8			
<b>examination</b> 4:3,4,5 6:9 112:14 129:8,18			
<b>example</b> 28:21 34:18,22			
<b>exceeds</b> 109:13			
<b>exception</b> 136:6			
<b>excess</b> 10:18 120:18			
<b>exchange</b> 47:13			
<b>exclamation</b> 81:7			
<b>exclude</b> 78:19			
<b>excluding</b> 98:14,14			
<b>executive</b> 24:17 25:20 52:7 88:19 99:9			
<b>exhibit</b> 4:11,12,13 4:14,15,16,17,18,19			

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430



## HIGHLY CONFIDENTIAL

[foods - group]

Page 10

<b>foods</b> 2:14 5:22 7:3 7:16,18,24 8:8 9:24 10:4,4 11:3 12:4,12 12:17 13:18 14:2,4 16:4,5,7,8,20,24 17:3,5,11,23 21:22 23:13 25:7 26:12 27:1,6,16 28:5 29:24 30:17,25 33:12,20 34:24 35:2 37:16 38:23 39:23 40:1,17,19,21,25 41:7,10 44:5 45:6 46:7 47:20,25 48:5 48:9,16,22 49:3 51:20 54:16,17 55:8 55:11,15 56:1 57:1 57:4 60:3 61:2,4,19 61:20 62:1,21,25 66:15,18 67:2 71:8 71:20 73:24 74:13 75:25 76:15 84:22 86:6 88:4,9 89:14 90:9 96:14,19 97:5 102:1,14,16,24 103:2,20,25 104:7 104:16 105:5,24 106:4 107:1,6,24 108:12,15,16,19 109:13 111:1,13,23 112:5,22 113:19,21 114:10 116:18 119:10 122:3 123:23 124:21,22 125:24 126:7 127:24 129:24 130:9,24 131:1,9 132:1,7 <b>foregoing</b> 136:3 <b>forget</b> 71:1 <b>form</b> 37:6 40:16 84:12 94:14 132:10 <b>formed</b> 78:18 <b>formulated</b> 89:11	<b>forth</b> 55:21 <b>forward</b> 83:21 84:24 99:4 127:9 <b>forwarded</b> 86:22 89:7 <b>forwards</b> 83:19 <b>foundation</b> 42:20 87:5 <b>foundational</b> 49:6 <b>four</b> 19:4 48:7 <b>fpr</b> 1:19 135:23 <b>frame</b> 27:20 104:18 119:2,10 130:5 <b>francisco</b> 2:21 <b>free</b> 39:2 94:25 95:3 <b>fremont</b> 122:13 <b>fresh</b> 10:4 70:4 71:2 71:6,11 76:6 99:18 100:17,22 101:6 122:12 <b>friedman</b> 2:20 5:25 <b>friendly</b> 80:19 <b>front</b> 38:15 57:16 64:3 71:22 91:1,10 94:17 <b>frozen</b> 113:1,5 <b>full</b> 6:14 110:9 <b>fully</b> 128:7,11,12,17 <b>further</b> 61:11 62:11 63:1 69:9 71:4 86:12 88:7 93:22 102:20 103:1,5,10 122:17 127:25 132:21 135:13 136:4 <b>furtherance</b> 73:24	<b>gender</b> 131:11 <b>general</b> 5:18 35:2,4 35:9,16,19 40:10 43:7,8 65:5,6 72:17 115:2 <b>generally</b> 36:11 41:9 41:10 75:20 117:1 <b>getting</b> 59:2,3 85:9 87:7 96:10,23 99:11 99:12 100:5 <b>give</b> 7:6 15:18 16:11 21:18 38:25 45:20 50:3 57:19 64:7 75:2 77:19 91:14,23 97:11 101:16 130:22,23 <b>given</b> 44:18 115:17 115:22 125:6 127:9 <b>global</b> 26:9 92:11 94:5 <b>go</b> 11:12 15:7 16:19 42:21 44:22 45:23 47:12 51:8 56:14 57:12 65:18 75:24 91:14 94:14 116:13 118:3 120:5,8,16,22 121:1,2 122:13 125:10 126:13 129:11 130:7 <b>goes</b> 38:19 68:5 <b>going</b> 8:16 15:6,9 39:3 51:4 55:1 56:5 56:23 67:18 70:21 85:25 87:12,14,16 89:21 91:3,17 95:10 98:19 108:3 112:17 113:6,20 114:14,16 115:19,21,22 116:15 117:16,24 118:2,3,6,14 119:11 119:20 122:8 123:13 126:23 127:9 <b>goldman</b> 28:1 29:21 29:22 30:6,14 32:5	32:24 <b>good</b> 6:11 15:11 16:1 28:22 44:8 97:4,5 108:15,15,18 112:16 126:23 129:20 <b>goucher</b> 31:8,23 50:8,23 51:10,15,18 51:19 53:23 57:18 58:1 <b>goucher's</b> 51:16 <b>governed</b> 60:1 <b>governmental</b> 39:25 <b>graduate</b> 16:15 <b>graduation</b> 16:19 <b>grain</b> 116:9 118:9 <b>great</b> 25:23 39:18 79:10 82:15 99:4 <b>greene</b> 2:15 5:21,21 12:20,22 13:1,8,11 13:12 15:17 18:21 19:2,10,15 20:7 21:17 36:1 38:5,8 39:10 42:20 51:2,4 52:16 56:12,14 66:20 68:15,24 70:21 73:1 78:18 84:12 85:16,19 87:5 93:3 94:14 98:14,19 129:3,6,11 132:5,10 132:23 133:2 <b>greene's</b> 13:2 19:19 <b>greg</b> 78:10 83:16,21 83:23 89:7 103:22 <b>gregg</b> 1:9 4:3 5:3 6:5 6:15 134:6 135:9 136:2,21 <b>grocery</b> 16:25 53:17 <b>ground</b> 111:19 120:18 121:3 <b>grounded</b> 104:3 <b>grounds</b> 74:25 <b>group</b> 16:25 31:15 31:19 32:21 33:3 53:16 62:17 74:7,11
---	--	--	--

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430

## HIGHLY CONFIDENTIAL

[group - inquiries]

Page 11

86:13 88:13,19 113:13 131:8 <b>groups</b> 74:20 <b>growers</b> 48:13 <b>guess</b> 17:20 18:10 23:2 76:14,23,25 84:18 105:9 <b>guided</b> 42:11 <b>guideline</b> 109:18,25 <b>guidelines</b> 47:14,23 48:8,20 104:2,4 105:20 106:6,25 107:9,23 109:13 124:5 <b>gulf</b> 6:16 <b>guy</b> 10:25 66:11 78:2 90:21 <b>guys</b> 12:21 31:25 52:1 68:3	<b>headquartered</b> 54:19 <b>heads</b> 81:10 <b>heard</b> 79:21 113:11 <b>held</b> 33:24 51:24 90:24 <b>help</b> 12:21 115:11 124:15,18,20,21 125:3 <b>helped</b> 30:23 <b>hen</b> 57:25 59:25 <b>hens</b> 120:5 <b>hershell</b> 64:21 65:22 65:23 <b>high</b> 95:1 <b>higher</b> 22:4 62:14 121:23 <b>highest</b> 22:1 <b>highlights</b> 52:25 <b>highly</b> 1:7 38:19,22 64:5 <b>hired</b> 21:24 36:13 44:14 <b>hiring</b> 44:19 <b>history</b> 122:3 <b>hold</b> 35:19 104:25 <b>home</b> 6:14 <b>honest</b> 87:9 <b>honestly</b> 27:24 <b>hope</b> 103:24 112:18 <b>hopeful</b> 101:9 <b>hopefully</b> 130:21 <b>hour</b> 80:16 82:12 <b>hours</b> 19:4 <b>house</b> 35:13 58:20 58:20,20 85:10 <b>housed</b> 109:18 <b>houses</b> 122:9 <b>hr</b> 13:20 <b>huh</b> 19:6 24:20 32:10 51:8 100:19 <b>human</b> 41:2 <b>humane</b> 92:12 94:7 94:17	<b>hunt</b> 127:8 <b>husbandry</b> 124:5 <b>i</b> <b>i.e.</b> 47:14 <b>idea</b> 8:11 12:13 23:17 <b>identification</b> 38:13 38:17 45:12,15 49:7 49:12 57:23 64:4,12 77:10,13 91:2,8,20 97:8,15 101:11,13 114:19 123:16 125:14 127:1 <b>identified</b> 19:24 41:6 46:24 90:2 <b>il</b> 2:9 3:4 <b>immediately</b> 16:19 43:22 <b>impact</b> 81:4 114:3,9 118:2,9 <b>impacts</b> 114:6 118:10 <b>implement</b> 62:14 <b>implementation</b> 106:7 <b>implementing</b> 104:4 <b>implicated</b> 44:4 70:20 <b>improper</b> 43:21 <b>inch</b> 21:21 <b>inches</b> 106:8,8,10,12 106:14 109:22 <b>include</b> 104:22 <b>included</b> 119:14 <b>including</b> 57:8 <b>inconsistent</b> 124:8 <b>incorporated</b> 16:9 86:7 <b>increase</b> 18:17 115:11,24 117:10 117:14,15,17,20,24 118:14,16,24 121:14,17	<b>increased</b> 118:13 120:24 <b>increasingly</b> 111:25 <b>incurred</b> 121:20 <b>independent</b> 125:23 <b>independently</b> 71:25 <b>indicate</b> 92:25 127:14 <b>indicated</b> 125:1 <b>indicates</b> 81:10 <b>indirect</b> 2:10 5:20 129:21 <b>individual</b> 17:10 77:3 <b>individuals</b> 30:17 <b>indulge</b> 44:9 <b>industrial</b> 100:13 102:24 103:11 115:1,2 <b>industries</b> 129:25 <b>industry</b> 18:17 27:21 53:16 58:23 74:7,11 76:2 81:12 86:10 94:20,21 102:22 110:22 113:13 125:25 <b>industry's</b> 92:10 94:4 <b>information</b> 13:16 33:5 37:9 41:4 42:18 43:15 47:13 82:16 84:15 88:18 88:24 132:2 <b>infringement</b> 7:1 9:22 10:3,8 12:8,16 13:6 14:1,9 <b>infringing</b> 10:10 <b>ingredient</b> 65:6 <b>ingredients</b> 116:13 <b>initiated</b> 107:3 <b>initiative</b> 61:24 85:9 99:16 100:2,4 <b>inquiries</b> 43:10
<b>h</b>	<b>h</b> 4:8 <b>habits</b> 131:10 <b>halebian</b> 2:11 5:20 <b>haley</b> 46:16 <b>half</b> 25:18 <b>hamm</b> 78:11 <b>hand</b> 6:3 114:16 123:13 134:10 <b>handed</b> 126:23 <b>handling</b> 106:20 <b>handwritten</b> 36:19 37:2 <b>happen</b> 118:6 <b>happened</b> 100:11 <b>happy</b> 15:17,18 60:18 62:20 78:1 <b>hatch</b> 106:16 <b>head</b> 13:20 33:14 65:15,20 66:1,14,17 79:23 99:3 107:20 115:1 123:22 132:19 <b>heading</b> 92:13 94:8		

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430

## HIGHLY CONFIDENTIAL

[inquiry - l]

Page 12

<b>inquiry</b> 71:23 73:18 73:21 <b>insofar</b> 71:2 <b>institute</b> 53:14,15 <b>institutional</b> 102:16 102:17,23 103:4 115:4 130:19 132:15 <b>instruct</b> 42:22 98:20 <b>integrity</b> 82:24 <b>intensely</b> 80:20 <b>interest</b> 56:3 61:19 105:5 107:10,10,24 108:12 <b>interested</b> 60:3 63:4 78:23 96:20 125:20 125:24 126:8 135:17 <b>interesting</b> 53:19 54:3,22 83:15 <b>interests</b> 107:6 <b>interim</b> 25:25 <b>intermarketing</b> 105:13 <b>internal</b> 109:14 115:9 116:2 120:15 120:20 121:14,17 121:23 130:25 131:10 <b>internally</b> 116:11 120:1,13,22 121:6 122:11 <b>interpret</b> 83:12 <b>interpretation</b> 87:6 <b>interrupted</b> 22:23 <b>introduction</b> 80:4 <b>invested</b> 29:23 <b>involve</b> 9:23 42:11 <b>involved</b> 8:1,2 13:2 13:3,8 20:3 <b>involvement</b> 85:10 <b>irving</b> 46:12 <b>isaacson</b> 46:10,13 <b>issue</b> 10:8 14:24 26:11 47:19,25 48:4	55:23 68:12 69:2,7 70:15,19,25 72:1,21 73:10 75:9,15,21 76:4,6 87:22 107:12 122:7 <b>issues</b> 10:10 37:17 37:19,23 46:3,25 48:21 67:21 75:23 125:22 <b>item</b> 47:13 <b>j</b> <b>j</b> 2:2 <b>janco</b> 27:19 29:11 <b>january</b> 67:19 <b>japan</b> 112:25 113:4 <b>jd</b> 31:8,25 64:16 65:1,2 76:22,23,24 86:11 92:6 95:20 98:8 <b>jeff</b> 22:19,24 23:4,5 23:6 27:11 <b>jeff's</b> 23:15 <b>jenner</b> 2:8 5:16 <b>jerry</b> 27:19 <b>jim</b> 22:18,23 23:4,14 26:21 27:11 31:25 <b>job</b> 72:10 81:13 <b>jobs</b> 67:1 <b>john</b> 14:20 31:7 32:1 78:10 95:20 <b>johnson</b> 26:2,8,11 26:25 123:21,21,22 <b>join</b> 18:2 27:1,2,22 34:16,17 48:25 55:15 56:3,11 57:5 87:4,25 96:17 104:19 107:9,25 108:7 119:11,12 121:10,18 124:17 125:3 <b>joined</b> 28:20 35:21 63:18 123:10 125:6 128:7	<b>joining</b> 34:11 96:21 121:12 125:1,5 <b>jointly</b> 30:21 <b>jonathan</b> 64:21 65:19,20 <b>jot</b> 37:1 <b>joyner</b> 78:12 <b>july</b> 18:24,25 32:6 105:17 <b>june</b> 17:8 25:10 105:9,13 108:7 109:3,7,9 <b>jury</b> 9:4,6 <b>justify</b> 81:9 <b>jv</b> 88:7 <b>k</b> <b>k</b> 35:8 <b>kasowitz</b> 2:19 5:24 <b>keep</b> 32:11 54:10 120:13 <b>keeping</b> 85:15,23 <b>keith</b> 2:11 5:19 129:20 <b>kellogg</b> 5:18 <b>ken</b> 60:25 62:22 78:11 111:15,18,24 <b>kennedy</b> 3:2,7 5:8 63:20,20 132:25 <b>kept</b> 37:8,13 88:18 122:21 <b>keri</b> 35:5 36:14,20 43:7,8 <b>kevin</b> 46:16 <b>key</b> 40:18,20,25 41:16,18,22 44:11 44:15,18 <b>kind</b> 9:15 25:18 31:14 32:18 37:11 38:16 57:15 59:4 63:7 68:24 78:8 94:19 116:7 <b>kinds</b> 44:23 <b>king</b> 61:6,9,12,15 62:4 96:8,12 123:1	<b>klingerstown</b> 66:8 66:22 <b>klippen</b> 59:7 60:25 62:3,22 63:5 111:15 111:24 <b>klippen's</b> 111:18 <b>knew</b> 27:21 76:25 <b>know</b> 6:24 8:7,10,16 8:19,22,25 9:2,6 10:25 11:1,14,17,22 11:23 12:3 13:21 19:18,20,21 21:2,6 21:14,21 23:5,14,23 24:1,2,3,4,5,9 26:8 32:2 33:2 35:15,18 35:22,25 37:15 39:16 40:4,6,9,12 41:14 43:12,13,14 49:15 50:21 51:4 52:21 67:2 72:10,12 73:23 74:13 76:10 76:18 77:3 79:12,20 83:14 87:20 90:1,16 90:21 96:9 100:1,22 101:4,7 102:7 111:5 113:9,12,15 114:14 114:14 117:2 119:21,23 120:20 123:9,9 130:2 131:3 131:5 132:19 <b>knowledge</b> 21:8 42:23 43:1,17 44:6 44:24 86:5 101:9 106:3,24 109:4,5,7 110:2,25 <b>knowledgeable</b> 14:2 14:24 <b>kofkoff</b> 52:3 <b>kraft</b> 5:17 <b>kroger</b> 53:17 <b>l</b> <b>l</b> 1:18 2:15 35:8 134:14 135:6,22
---	--	---	---

## HIGHLY CONFIDENTIAL

[labeled - marketplace]

Page 13

<b>labeled</b> 38:19 45:18 46:2 <b>lack</b> 42:20 87:5 <b>lakes</b> 52:3 <b>land</b> 52:3 <b>language</b> 125:8 <b>large</b> 33:14 57:10 61:5 135:7 <b>larger</b> 61:7 <b>largest</b> 128:4 <b>late</b> 7:1 9:20 14:13 14:15 <b>law</b> 37:25 46:10,19 <b>laws</b> 39:23,24,24 42:11 <b>lawsuit</b> 76:6 <b>lawyer</b> 12:14 19:19 19:22,23,24 36:11 36:13 46:12,15 63:18 <b>lay</b> 52:4 <b>layer</b> 122:9 <b>layers</b> 105:19 109:14,24 <b>leadership</b> 92:13 94:7 <b>learning</b> 88:2 <b>leave</b> 43:22 <b>lee</b> 28:1 29:19 30:5 30:12 31:9,14,22 32:2,5 <b>left</b> 24:12,16 25:9 27:11,23 29:15 <b>legal</b> 42:12,17 43:2 43:5,12,14,23 70:15 70:19 71:1 72:1,21 74:25 75:8 76:4,20 76:20 <b>legislation</b> 95:4 <b>leonard</b> 2:15 5:21 35:14,24 43:6 72:23 <b>letter</b> 43:19 92:8,20 92:22 93:1,24 125:17	<b>letters</b> 93:3,17,20 94:13 <b>level</b> 132:1,2,8 <b>liberation</b> 94:17 <b>license</b> 68:12 69:3,8 105:13,16 110:7,9 110:15 <b>liebhard</b> 2:3 5:11,15 <b>life</b> 10:5,14,15,18 86:25 87:1 100:12 <b>limitations</b> 48:8 <b>line</b> 17:19 68:20 96:2 136:8 <b>lines</b> 74:5 <b>liquid</b> 10:5,11,12,14 10:16,17 71:4 85:5 86:24,25,25 87:1 100:12 115:9 116:2 116:17 118:3 120:19 <b>listed</b> 136:7 <b>listen</b> 95:18 <b>litigation</b> 1:4 5:6 10:7,9 17:18 76:10 <b>little</b> 17:20 68:19 111:15 112:24 119:1 <b>lived</b> 23:21 <b>livenote</b> 44:9 <b>lives</b> 85:5 <b>living</b> 23:3 24:1 <b>llc</b> 3:2 63:21 <b>llp</b> 2:20 3:3 5:12 <b>located</b> 5:3 <b>location</b> 1:12 <b>logically</b> 41:25 <b>logo</b> 71:7 81:1 <b>long</b> 19:2 23:8 24:21 59:10 73:19 109:3 116:24 117:4 121:4 <b>longer</b> 51:12 76:23 95:5 <b>look</b> 39:1,2 44:21 45:20 46:2 47:11 49:6 50:3 57:19	64:8 77:20 78:6,8 92:2,5 97:11 98:2 101:16 122:3 130:16 <b>looked</b> 37:9 <b>looking</b> 31:10 60:7 61:2,17 77:22 97:1 <b>looks</b> 85:9 <b>loosely</b> 10:17 <b>lori</b> 1:18 5:9 134:14 135:6,22 <b>lose</b> 11:19 12:1 <b>losing</b> 11:20 <b>lost</b> 11:18,21 <b>lot</b> 87:10 96:10 115:19 <b>lovell</b> 2:11 5:20 <b>lovely</b> 77:25 <b>low</b> 85:15,23 <b>lunch</b> 123:24 129:5 129:10	<b>major</b> 27:17 30:6 52:2 55:23 56:24 57:3 114:1 <b>majority</b> 30:2 <b>making</b> 34:4 <b>manage</b> 61:23 <b>management</b> 31:2,4 31:6 32:15,25 34:6 <b>manager</b> 65:5,6 80:3,5 115:2 <b>managers</b> 32:22 <b>mandated</b> 109:6 <b>manufactured</b> 11:2 <b>march</b> 1:10 5:2 50:11 134:11 135:19 <b>margin</b> 122:19 <b>mark</b> 14:3,21 31:8 31:25 38:9,16 64:22 66:10,11 <b>marked</b> 38:1,12,24 45:11,14 49:7,12 57:23 64:3,6,11 77:9,12 91:2,8,20 97:7,14 101:10,13 114:17,19 123:16 125:14 127:1 <b>market</b> 69:8,24 81:8 95:16 103:3 110:8 113:22 114:9,12,15 115:10,19,20 116:3 116:15,21,25 117:5 117:19,24 118:2,10 118:13 119:25 120:14 121:2,15 131:10,13,18 <b>marketed</b> 113:25 <b>marketers</b> 113:10 <b>marketing</b> 16:15 46:3,25 47:14 53:4 53:14,15 68:13 69:3 81:13 131:8 132:8,9 132:17 <b>marketplace</b> 94:22 117:16 120:17
--	---	--	---

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430

## HIGHLY CONFIDENTIAL

[marketplace - monthly]

Page 14

121:25 <b>marshall</b> 77:6 79:22 80:7,14 82:4 89:5 <b>mart</b> 78:2,13 80:3,5 81:6 82:3 83:4 84:24 85:4,6,11 87:17,23 89:6,18 96:3,9,12 112:3 <b>massive</b> 122:10 <b>matter</b> 48:20 86:11 <b>mba</b> 16:17 <b>md</b> 1:4 5:6 <b>mdl</b> 1:3 5:6 <b>meal</b> 116:9,13 <b>mean</b> 10:13,20,21 14:11 25:12 30:22 31:16 37:19,22 45:7 49:14 54:13,15 56:22 74:9 92:18 102:18 115:15 116:5,6 117:14 131:6 132:11 <b>meaning</b> 30:4 55:24 58:14,20 59:4 87:15 94:21 102:19 <b>meaningful</b> 112:5 <b>means</b> 56:23 89:17 115:25 118:3 <b>meant</b> 52:16 58:10 70:10 83:3 84:11 124:19 <b>mechanism</b> 116:21 <b>media</b> 82:20 <b>meet</b> 36:6 52:7 104:2 109:24 110:2 <b>meeting</b> 19:5 36:21 36:23 37:1,5 43:20 43:22 47:2 50:14 51:23,24 52:6 53:19 54:2 64:24 67:5,14 67:19,21 80:4,14,16 82:2,12 83:3 85:4 89:17,25 92:15 94:9 95:21 98:9 99:15,20 99:24 101:1,3,5	109:18 125:22 <b>meetings</b> 36:9,12,18 37:9,13 46:21,23 89:5 <b>meets</b> 109:13 <b>member</b> 19:19 24:13 27:20,23 28:18 34:6 99:18 100:17,23 108:23 <b>members</b> 22:18 28:5 28:14 31:4 48:25 85:25 88:9 101:5 127:7 <b>membership</b> 28:2 95:11 <b>memo</b> 83:5 84:6,16 86:13,21 88:12 89:21 90:16 103:21 108:3 <b>memos</b> 119:5,7 <b>mentioned</b> 29:16 31:21 42:2 51:15 52:9 76:5 119:16 128:2,12 <b>merely</b> 81:10 <b>merkle</b> 64:21 65:19 65:20 <b>message</b> 51:23 <b>met</b> 6:12 46:18 79:19 80:1 89:23 112:16 <b>methods</b> 82:24 <b>mf</b> 38:20,20 <b>mfl</b> 39:4 <b>mfc</b> 4:16 77:12,16 77:16,18 <b>mfi</b> 4:11,13,14,15,15 4:17,17,18,18,19,20 4:20,20,21,22,22,23 38:11,18,21,21 42:9 49:9,11 57:17,22 64:5,5,10,11 77:17 77:19 86:6 91:5,5,7 91:7,12,13,19,19 97:9,9,13,14 101:12	101:12,15,15 104:4 105:19 109:13,24 110:8 114:18,21 123:15,18 125:13 125:16 126:25 127:3 <b>mfn</b> 4:13 49:9,11 <b>michael</b> 2:14 5:22 7:3,16,18,24 8:8 9:24 10:4 11:3 12:3 12:12,17 13:18 14:2 14:4 16:4,4,7,8,20 17:3,5,11,23 21:22 22:18,18,19,24 23:13 25:6 26:12 27:1,6,11,16 28:5 29:24 30:17,24 33:12,19 34:24 35:2 37:16 38:23 39:23 40:1,17,19,21,25 41:7,10 44:5 45:6 46:7 47:20,25 48:5 48:9,16,22 49:3 51:20 54:17 55:8,11 55:15 56:1 57:1,4 60:3 61:2,4,19,20 62:1,20,25 66:15,18 67:2 71:8,20 73:24 74:13 75:25 76:15 84:22 86:6 88:4,9 89:14 90:9 92:7 96:14,19 97:5 102:1 102:14,16,24 103:2 103:20,25 104:7,16 105:5,24 106:4 107:1,6,24 108:11 108:15,16,19 109:13 110:25 111:13,23 112:5,22 113:18,21 114:10 116:18 119:10 122:3 123:23 124:21,21 125:24 126:7 127:24 129:24 130:9,24	131:1,9 132:1,7 <b>michelle</b> 80:17 <b>michigan</b> 3:3 <b>mid</b> 6:24 104:15 105:2 109:25 <b>middle</b> 68:17 79:22 102:2 108:3 <b>midwest</b> 52:4 <b>migration</b> 105:19 <b>mike</b> 115:9 123:20 123:21,22 <b>miles</b> 22:19 23:23 24:14 <b>militant</b> 80:25 <b>million</b> 34:8,9,12,21 34:24 53:1 81:7 109:24 120:5 <b>mills</b> 5:18 <b>mind</b> 41:15,18,21 59:15 70:12 107:16 112:9 120:13 <b>minneapolis</b> 2:16 8:18 11:9 17:2 23:2 <b>minnesota</b> 23:21 24:10 54:20 <b>minute</b> 45:20 50:3 57:19 63:10 64:7 75:22 77:19 97:11 97:17 101:16 112:8 <b>minutes</b> 9:19 36:8 36:16,22 126:14 <b>misread</b> 68:24 <b>mission</b> 81:1 <b>misunderstood</b> 32:17 <b>mn</b> 2:16 <b>moark</b> 3:2 63:21 <b>molting</b> 106:19 <b>moment</b> 53:10 129:12 <b>moments</b> 6:12 39:1 <b>momentum</b> 96:5 <b>monday</b> 53:22 <b>monthly</b> 110:11
--	--	---	---

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430



## HIGHLY CONFIDENTIAL

[months - okay]

Page 15

<b>months</b> 24:22 104:1 104:4 <b>moore</b> 31:25 <b>moratorium</b> 93:22 <b>morning</b> 6:11 95:21 112:16,17 <b>morris</b> 1:13 5:4 <b>motion</b> 53:2,4 70:16 <b>motions</b> 52:1 67:20 67:25 68:7 69:14,15 <b>mouth</b> 86:6 <b>mouthng</b> 95:17 <b>move</b> 95:10 104:9 <b>movie</b> 54:3,22 <b>moving</b> 43:18 96:22 <b>mueller</b> 78:11 <b>multipage</b> 4:16 38:18 64:4 77:11,15 91:3,12 101:15 <b>murch</b> 78:10 83:17 83:23 86:22 89:7	<b>needed</b> 34:10,25 120:21 <b>needs</b> 97:16 120:2 <b>negative</b> 81:4 86:3 <b>nestle</b> 5:18 102:10 102:11,12,14,19 103:3 111:11 <b>never</b> 47:4,6 51:18 78:4 79:19 80:1 81:2 107:10 112:6 127:15 <b>new</b> 2:4,12 5:12,12 25:16 68:12 69:2 122:14 <b>nine</b> 10:19,19 14:12 <b>nodded</b> 79:23 <b>nominal</b> 12:5 <b>non</b> 48:25 130:3,10 <b>noncertified</b> 110:6 128:23,24 <b>noncomingling</b> 106:21 <b>nonmember</b> 48:19 <b>nonmembers</b> 48:8 <b>norco</b> 3:2 63:21 <b>norm</b> 101:5 <b>normally</b> 36:7 <b>north</b> 2:8 6:16 <b>notary</b> 134:15 135:6 136:25 <b>note</b> 38:23 83:15 127:8 <b>noted</b> 58:2 90:21 <b>notes</b> 36:16,18,19,20 37:2,2,4,13 82:12 135:11 <b>notice</b> 103:14 <b>noticed</b> 77:22 <b>november</b> 46:3 47:1 78:14 79:7 80:6 84:8,9,19 92:9 94:2 95:9 96:18 123:20 <b>nucal</b> 2:18 5:25 <b>number</b> 4:11,12,12 4:13,14,14,15,15,16	4:17,18,19,19,20,21 4:22,22,23 5:6 28:5 28:7,8,10 32:22 38:11 39:4 45:13,13 45:17 47:11 48:7,18 49:11 57:17,22,22 58:17 60:17 64:5,10 64:10 68:20,25 69:7 77:11,15,17 84:21 84:21 91:7,12,19 97:9,13,13 101:12 105:16 114:18 116:8 120:12 123:15 125:13 126:25 130:13 <b>numbers</b> 4:11 38:11 38:18 49:8 68:11 91:4 <b>numerous</b> 58:16 <b>ny</b> 2:4,12	<b>officer</b> 14:7,20,21 21:25 22:9 24:17,19 25:16 <b>officers</b> 99:10 <b>offices</b> 19:19 <b>official</b> 36:22 134:10 <b>oh</b> 7:19 42:23 68:17 68:22 78:21 82:6 84:6 <b>okay</b> 6:21 7:2,13 8:1 8:10,16,25 9:4,9,13 9:19 10:1,6 11:6,10 11:12,17 12:6,16 13:1,5,11,16,21 14:6,16,23 15:1,25 16:7,9,11 17:13 18:3,10,19,23 19:5 19:12,18 20:2,24 21:6,9,14,22 22:23 23:1,5,14,20 24:6 24:11,15,18,21 25:9 25:22 26:15,19 28:4 28:23 29:1,14 30:12 31:1,9,24 32:20,24 35:18 37:22 38:6,15 39:5,18,22 40:23 41:14,24 42:5,7,23 42:25 43:4,18 44:3 44:7,25 45:10,10,24 46:2,6 47:4,10,18 49:5,22,25 50:3,6,7 50:11,17 51:12,22 52:8,17,24 53:10,18 53:22 54:1,9,12,15 54:18,21 55:11,14 55:18 57:7,14,21 58:9 59:10,15,18 60:2,12 63:17,24 64:13,15 65:1,4,17 66:16 67:1,4,10,14 68:5,23,24 69:7,17 69:22 70:3,19,25 71:13,19 72:4,7,12 72:15,16,19 73:9,20 74:2,24 75:7,18
<b>n</b>	<b>n</b> 4:1 85:6 <b>name</b> 6:11,14 8:5 12:19 27:24 35:5,6 46:15 60:21,22 65:9 79:21 129:20 <b>named</b> 46:12 64:17 64:18 77:3,6 90:21 <b>naples</b> 1:14 5:4 6:17 19:7 77:25 <b>nashville</b> 16:25 <b>naturally</b> 117:16 <b>nature</b> 10:7 <b>near</b> 85:10 <b>nearly</b> 53:1 <b>necessarily</b> 120:25 <b>necessary</b> 91:24 <b>need</b> 15:16,19 34:3 39:15 62:16,21 81:13 91:18 95:14 95:19 118:25 128:15 129:5	<b>o</b>	<b>o</b> 35:8 52:3 <b>o'brien</b> 64:17,17 65:4,5 92:6 114:25 115:1,6 <b>o'brien's</b> 117:23 <b>oath</b> 6:6,19 63:25 98:2 134:1 <b>object</b> 42:21 66:20 78:18,20 98:19 132:10 <b>objection</b> 42:20 56:12 84:12 87:5 94:14 98:19 132:4,5 <b>obviously</b> 97:1 114:14 116:10 <b>occasions</b> 58:16 <b>occur</b> 9:24 <b>occurred</b> 7:23 20:16 131:12 <b>october</b> 92:15 94:9 106:8,12 <b>office</b> 5:4

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430



## HIGHLY CONFIDENTIAL

[okay - percent]

Page 16

76:10 77:3,6,8,8,21 78:16,21 79:2,4,10 79:16,20,24 80:10 80:13 81:17 82:1,8 82:10,23 83:2,11,13 83:15 84:4,7,10,18 84:24 85:12,14 86:17,20,24 87:2,21 89:16,22 90:1 91:15 91:16,22,25 92:1,2 92:18,24 93:13,14 93:19,24 94:2,12,24 95:13 97:4,7,18 98:5,7,12,22 99:8 100:1,17,22 101:2,7 101:18,19,24 102:5 102:17,22 103:9,14 103:25 104:21,25 105:4,12,15,19 106:2,6 107:5,17,22 108:2,10,21 109:12 109:21 110:6 111:3 111:10,21 112:19 112:21 113:6,9 114:6,16,21,23,23 115:3,5,15 116:2,23 117:9 118:5,13,19 119:1,9 121:7 122:1 122:22 123:9,13,19 123:24 124:6,12,15 125:7,19 126:12 127:21 128:6,25 129:3,6,10 130:2,14 131:3,9,15,17,21 132:7,21 133:3,4 <b>old</b> 23:5,14,17 <b>olson</b> 22:7,9,21,22 24:6,9,15 27:12 <b>olson's</b> 25:3 <b>once</b> 36:13 128:7,12 128:17 <b>ongoing</b> 113:4 <b>open</b> 103:2 <b>operate</b> 69:10	<b>operating</b> 21:24 22:9 24:19 25:16 <b>operations</b> 33:25 66:14 132:18 <b>opinion</b> 89:11 <b>opposed</b> 8:3 62:5 103:1 <b>optics</b> 74:17 <b>options</b> 59:5 <b>order</b> 57:4 <b>organization</b> 33:18 127:18 <b>organizer</b> 37:12 <b>orientation</b> 127:10 127:21,22 <b>original</b> 69:19 <b>ostrander</b> 1:9 4:3,11 4:12,13,14,15,16,17 4:18,19,20,21,22,22 4:23 5:3 6:5,11,15 6:18 12:22 16:12 17:9 18:20 37:20 38:3,11,15,17 40:13 44:10 45:10,11,13 45:24 46:10 49:7,11 49:15 57:15,22 63:24 64:2,3,10 67:11 70:21 71:21 77:8,9,11,23 80:8 88:20 91:1,2,7,11 91:13,14,19 92:2,3 92:4 97:7,13 98:1,2 98:13 101:10,12,17 101:19 103:22 114:17,18 123:14 123:15 125:12,13 126:24,25 129:20 134:7 135:9 136:2 136:21 <b>outcome</b> 75:13 <b>outlay</b> 122:10 <b>outlined</b> 108:23 <b>outside</b> 28:17,19 35:14 59:5 72:24 75:16 76:2 86:13	88:13 96:11 120:16 120:23 125:25 126:8 128:20 <b>outsource</b> 121:16 <b>overall</b> 114:15 120:21 130:9 <b>owned</b> 30:19,24 31:1 32:25 120:5 <b>owner</b> 30:2 <b>ownership</b> 28:2 31:6 31:9 32:16,21,22 <b>owning</b> 29:19	119:15 <b>participants</b> 32:15 76:2 125:25 <b>participate</b> 26:13,13 56:5 <b>participating</b> 74:12 74:13 86:1 <b>participation</b> 55:23 55:25,25 127:9 <b>particular</b> 37:13 104:11 111:13 119:17 <b>parties</b> 135:14,15 <b>partner</b> 30:22 <b>partners</b> 29:19 30:4 30:5,5 <b>parts</b> 56:4,9 <b>party</b> 122:14 <b>pass</b> 53:4 117:20 <b>passed</b> 53:1 <b>pasteurized</b> 10:18 10:21,22 <b>patent</b> 7:1 9:22 10:3 10:8 12:8,16 13:6 13:25 14:9 76:6 <b>patents</b> 10:11 <b>pay</b> 62:15 120:3 <b>pda</b> 37:12 <b>penalties</b> 47:24 <b>pending</b> 15:20 18:25 <b>pennsylvania</b> 1:1 66:22 <b>penultimate</b> 52:10 <b>people</b> 19:11 28:7,7 28:8,8,12,15,16 29:16,18,18 31:16 32:19 33:3,4,4 42:1 76:22,24 83:6 84:21 94:16 111:8 114:2 118:20 122:12 127:17 <b>percent</b> 30:19,24 31:1,6 50:1 55:12 55:24 58:14,19 60:18 81:11 99:11
---	--	--	--

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430

## HIGHLY CONFIDENTIAL

[percent - produced]

Page 17

100:6 101:8 104:22 119:14,16,17 120:2 120:6,7,9 121:10,13 126:11 130:11,12 130:13,18,18,19,20 130:20 <b>percentage</b> 121:21 130:3 <b>percentages</b> 30:17 <b>percents</b> 130:23 <b>period</b> 25:25 27:14 29:14 62:18,19 80:7 107:19 113:2 <b>periodically</b> 44:21 <b>person</b> 14:1,24 19:16,18,21 73:1 88:25 89:17 131:4 <b>personal</b> 18:8 <b>personally</b> 46:21 72:6 75:10 134:7 <b>pertinent</b> 82:11 <b>peta</b> 74:20 92:12 94:6 <b>phd</b> 65:23 <b>phone</b> 5:23 6:1 19:12,14,16,21 20:2 63:18 88:25 89:17 89:24 132:23 <b>pick</b> 51:6 <b>picketing</b> 96:11 <b>pickett</b> 77:4 79:17 79:18,19 80:2,5 82:3,4,9 83:4 89:5 <b>pieces</b> 33:19 <b>place</b> 1:13 11:7 45:5 58:15 109:18 122:25 <b>plaintiff</b> 1:16 2:2 5:13 <b>plaintiffs</b> 2:7 5:15 5:17 <b>planner</b> 37:11 <b>planning</b> 83:22 124:4	<b>plant</b> 66:9,22 <b>play</b> 26:25 <b>please</b> 5:9 6:2,13 17:5 35:7 50:5 63:19 64:9 70:23 85:3 86:11,12 88:6 88:12 93:11 114:22 <b>plus</b> 30:24 <b>point</b> 18:1 19:25 20:8,12 23:18 25:1 25:14 26:20 27:11 28:22 32:11 33:17 36:25 37:15 58:22 61:22 68:25 81:7 83:7 84:7 87:4 88:2 89:4,16 93:24 94:20 96:15,18,20,23 107:13 108:2,6,14 111:23 112:6 127:13 <b>pointed</b> 81:12 <b>points</b> 47:12 <b>policy</b> 37:17 38:23 39:23 41:12 42:12 42:19 44:10,21 45:5 45:7 71:20,22,24 <b>political</b> 81:5 <b>porter</b> 1:12 5:4 <b>portion</b> 33:14 39:11 75:7 81:18 85:19 95:13 <b>portions</b> 86:17 <b>position</b> 24:24 51:16 76:19 104:8 <b>possession</b> 12:7 <b>possibility</b> 69:23 73:21 <b>post</b> 16:24 <b>posted</b> 54:10 <b>potato</b> 7:10 8:2 33:22 65:3 130:9 <b>potential</b> 63:7 70:15 72:21 75:15,22 90:8 95:16 114:6	<b>potentially</b> 81:4 <b>poultry</b> 52:4 <b>pounds</b> 119:22 120:14 <b>powdered</b> 113:1,5 <b>practice</b> 42:10 <b>predecessor</b> 35:12 35:25 <b>preference</b> 38:7 <b>premium</b> 120:3 <b>preparation</b> 19:9 20:4,6,8,12 <b>preparing</b> 18:20 21:19 <b>pres</b> 65:10,11 <b>present</b> 19:9 36:12 36:13 <b>presentation</b> 107:2 110:4,7 111:11,12 128:10 <b>presented</b> 102:11 119:12 <b>president</b> 7:15 21:24 22:8 24:18 25:2,6,13,16,18,19 25:24 26:16,19 33:8 33:11 41:2 46:6 50:17 51:19 65:2 80:8,15 96:19 <b>president's</b> 25:15 <b>presidents</b> 33:19,23 <b>pressure</b> 87:10,12 87:24,25 89:19 90:2 90:7 92:12 94:6,18 96:10,17,24 <b>pressuring</b> 87:3 96:1 <b>presumably</b> 84:9 <b>pretty</b> 60:21 113:4 <b>prevent</b> 15:13 <b>previously</b> 8:12 80:18 131:19 <b>price</b> 17:19 37:25 61:22 82:19 115:11 117:9,14,15,17,17	117:24 118:15 <b>prices</b> 18:17 113:23 114:10 118:9,14 131:22 <b>pricing</b> 113:18,23 114:2,4,7 115:9,16 115:24 116:25 117:5,6 118:7,18,20 118:21,25 130:25 132:2,3,8 <b>primarily</b> 66:24 <b>principal</b> 30:4,5,5 <b>prior</b> 7:23 18:19 20:8 35:13 36:14 43:6 57:7 61:4 62:19 104:19 <b>private</b> 24:14 27:25 29:9,19 30:24 122:5 122:5,6 <b>pro</b> 122:13 <b>probably</b> 7:15 10:24 14:3 25:13 60:21 65:6 66:3 75:11 100:14 114:3,4 116:18 117:6 <b>problems</b> 82:19 <b>proceed</b> 34:3 63:19 <b>proceeded</b> 112:6 <b>process</b> 10:20 62:11 71:5 82:16 103:5,10 110:21 114:12 119:21 122:18 <b>processed</b> 1:3 5:5 61:11 63:1 102:20 103:1 128:1 <b>processing</b> 53:5 <b>processor</b> 115:23 <b>processors</b> 69:9,9 <b>procurement</b> 66:8,9 66:17 117:3 122:4 <b>produce</b> 47:15 94:25 116:7,11,14 118:10 121:5 <b>produced</b> 61:10,11 62:10,12 116:19
---	--	---	---

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430

## HIGHLY CONFIDENTIAL

[produced - reasons]

Page 18

120:1,11,13 <b>producer</b> 68:18 69:4 99:10,19 100:25 116:7 <b>producers</b> 49:17 52:2 53:6,6 55:21 60:17 61:8 74:11 76:2 81:6 87:15 94:18,21 104:2,13 116:22,24 127:23 127:24 128:4 <b>producing</b> 96:5 <b>product</b> 10:17 11:2 11:5 61:12 71:6 102:19,20 103:5,6 103:10 110:9 <b>production</b> 10:4,11 58:20 69:10 82:16 82:24 94:19 95:5 114:12 121:14,14 121:16,17,23 122:15 <b>products</b> 1:3 7:11 10:5 14:21 33:22,22 51:19 57:2 61:20,21 62:21 63:1 65:3,3 66:4,12 69:24 103:4 103:6 110:12 112:20 113:5,21,25 115:2 130:17 131:14 <b>profile</b> 85:15,23 <b>profit</b> 118:12 122:19 <b>profitability</b> 117:20 <b>proffitt</b> 101:6 <b>program</b> 18:2 26:13 27:2,7 49:19 52:5,9 52:13,14,20,23 53:7 55:2,3,5,9,16,19,20 55:24 56:2,3,4,6,7 56:24 57:6,12 58:13 58:14,15 59:6,8,13 59:13,25 60:4,18,23 60:24,25 61:6,8,10 61:14 62:4,5,13,14	62:22 70:13 71:9 74:14 75:21 76:1,3 80:20 81:2,5,11,13 81:25 82:15 86:1,4 87:4,8,11,19,25 93:23 96:15,17,21 96:25 104:14,15,19 104:20,21 105:13 107:25 108:8,19,22 108:23 109:1,2,4,10 110:22 111:16,18 111:24 112:1,4 114:1 118:8 119:3 119:11,15 121:10 121:12,19 122:2,2 122:23,23,25 123:3 123:10 124:5,13,18 124:21,23 125:2,23 126:4 128:7,8,18 <b>programs</b> 34:17 55:16 59:7,22 61:2 61:17,18 104:9,11 <b>project</b> 34:9 <b>proposal</b> 119:12 <b>proposals</b> 58:23 117:6 119:13 <b>proposed</b> 61:8 <b>protecting</b> 73:24 <b>protocol</b> 110:20 <b>provide</b> 68:6 75:3 <b>proving</b> 41:12 <b>provision</b> 44:4 <b>provisions</b> 43:15 108:22 <b>pry</b> 26:5 <b>public</b> 29:10 134:15 135:7 136:25 <b>publicity</b> 74:17,18 <b>publicly</b> 33:6 <b>purchase</b> 47:15 48:12 <b>purchased</b> 116:21 116:24 128:14,18 128:20	<b>purchaser</b> 1:5,16 2:2 5:13,15 <b>purchasers</b> 2:10 5:20 129:21 <b>purchases</b> 110:11 119:25 <b>purportedly</b> 84:2 <b>purporting</b> 17:18 <b>purpose</b> 92:3 <b>purposes</b> 38:17 45:11 49:7 64:3 77:9 91:2 93:6 97:8 101:11 <b>pursuant</b> 106:25 <b>pursue</b> 70:15 72:21 <b>pushes</b> 54:4 <b>put</b> 26:11 38:15 44:7 49:5 55:21 57:14,16 58:19 61:5 64:2 71:22 87:24,24 91:1 111:10 120:17 121:3,3 <b>putting</b> 41:24 87:10 90:3,7 93:22 94:18	132:21,22,24 <b>quick</b> 51:14 66:16 93:1 129:1 <b>quite</b> 27:23 33:20 62:9 80:18,19 <b>quote</b> 78:3 103:21
		<b>q</b>	<b>r</b>
		<b>quality</b> 66:1 106:20 <b>quantities</b> 47:22 <b>quarter</b> 39:19 <b>quarterly</b> 36:7 <b>question</b> 15:9,20,20 18:11 26:24 45:24 51:2,6 66:16 70:22 70:23 78:18 88:23 89:16 92:19 107:16 126:15 127:9 131:23,25 <b>questioned</b> 82:18 <b>questioning</b> 129:23 <b>questions</b> 15:6 39:2 39:3,13 45:21 49:6 50:5 57:20 64:9 77:20 91:17 97:12 97:18 101:17 107:18 112:18	<b>r</b> 2:7 30:10 <b>r&amp;d</b> 10:25 <b>radical</b> 74:20 <b>raise</b> 6:2 <b>raised</b> 47:19 <b>raising</b> 114:9,10 <b>ramifications</b> 81:5 <b>ran</b> 33:19,23 66:6,8 66:21 <b>ranch</b> 3:2 63:21 <b>range</b> 131:12 <b>ranking</b> 22:1 <b>rat's</b> 125:6 <b>reached</b> 71:14 73:14 <b>reaction</b> 74:19 <b>read</b> 20:15,18 39:10 39:15 44:1 52:12,17 67:18 68:21 80:12 81:19 84:8,9,16 85:3 86:17,17,18,21 86:22 89:9 91:3,11 91:13,18 92:22,25 93:2,4,5,10,13 94:3 115:13 118:1 133:2 136:3 <b>reader</b> 93:12 <b>reading</b> 85:19 87:7 <b>real</b> 51:14 95:14 <b>realistically</b> 54:5,5 <b>really</b> 9:5 11:1 61:24 92:2 125:20,20 127:25 <b>reason</b> 55:19 57:12 84:4 106:2 121:18 126:10 <b>reasons</b> 61:16 68:6 108:11,13

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430

## HIGHLY CONFIDENTIAL

[reassumed - rid]

Page 19

<b>reassumed</b> 26:16	<b>reduce</b> 120:4,15	<b>reminder</b> 63:25	76:16,20 80:14 88:4
<b>recall</b> 8:21,24 9:9,14	<b>reduced</b> 120:20	98:1	88:22 89:19 90:15
9:18,21 13:4,8,10	<b>reduction</b> 59:4	<b>remove</b> 58:18	95:25 125:22
27:14 41:6,9 42:5	<b>reedy</b> 14:20 31:7	<b>renew</b> 68:12 69:3	<b>respond</b> 95:9,20
45:9 46:18 47:24	32:1	<b>rephrase</b> 15:8 89:1	99:15,24 107:18
48:3,8,15,21 49:2	<b>refer</b> 16:7 19:15	<b>replace</b> 121:1	118:11
73:16,19,22 74:1,2	38:4	<b>replied</b> 67:12	<b>responded</b> 18:10
75:8,17 76:17,19	<b>reference</b> 78:1,3	<b>report</b> 135:8	53:22 99:2
78:16 79:5 80:10	124:9,9,17 125:5	<b>reported</b> 22:9	<b>responding</b> 69:18
88:20 89:25 90:5,10	<b>referenced</b> 44:10	<b>reporter</b> 1:18 5:8	<b>response</b> 90:11 94:2
99:25 111:12,14,16	112:2 119:5 128:10	15:22 38:16 57:15	95:7
119:7,8,9 123:7	<b>references</b> 53:10	64:2 135:6	<b>responsible</b> 33:24
124:12 126:3,5	<b>referring</b> 16:8 23:12	<b>reporter's</b> 135:1	36:20 40:24 131:17
128:8 131:2	42:9 43:4 92:21	<b>reporting</b> 110:11	132:1
<b>received</b> 42:3 67:11	99:5 100:5 113:3	<b>represent</b> 129:21	<b>rest</b> 26:11 88:9
68:10 69:1 71:13	123:6 127:22,23	<b>representative</b>	121:22
93:24 105:16 127:7	<b>reflect</b> 105:23	17:23 18:4 29:24	<b>restart</b> 63:17
<b>receiving</b> 112:2	<b>reflects</b> 60:2 104:7	53:16	<b>restrain</b> 71:2
<b>recognize</b> 98:5	117:23	<b>represented</b> 12:11	<b>restraint</b> 75:1,15
101:19	<b>refresh</b> 18:22 44:22	12:12,17 52:2	<b>result</b> 56:2,11 57:11
<b>recollect</b> 22:20	79:17,24 91:24	<b>represents</b> 86:21	71:13 72:13 73:17
<b>recollection</b> 11:8	92:22 93:16	<b>request</b> 61:5 75:3	73:25 74:15 76:11
12:23 14:10 18:8	<b>refreshes</b> 92:3	<b>requested</b> 58:16,18	88:1
41:3 43:17 44:3,6	<b>regard</b> 48:12	135:10	<b>retail</b> 53:17 54:17
45:3 47:1 58:12	<b>regarding</b> 37:25	<b>requesting</b> 57:3	58:2 65:16 71:6
72:7 79:17,24 91:25	48:12,19,20 81:24	<b>requests</b> 59:2,3	103:12 115:12
92:4 93:16 101:23	85:4 129:24	<b>require</b> 99:17 100:9	117:12 118:15
105:24 124:24	<b>regular</b> 62:25	<b>required</b> 34:8,12	130:12,20,25 131:7
<b>reconsider</b> 70:16	<b>related</b> 7:3 67:21	60:8	131:8,10,14 132:12
93:22	96:1 113:24	<b>requirement</b> 58:19	132:14,16,17,18
<b>record</b> 5:1,10,22	<b>relates</b> 1:5 50:1 94:4	<b>requirements</b> 62:12	<b>retired</b> 17:8 24:14
6:14 15:25 18:14	<b>relative</b> 104:18	107:8 109:6 110:3	31:23 51:17
38:24 51:5 63:13,15	135:13,15	116:19,20	<b>retirement</b> 32:8,9
67:18 75:24,25 80:2	<b>relays</b> 92:10	<b>requiring</b> 58:3	<b>retread</b> 112:18
85:16 90:24 94:3	<b>remain</b> 25:6	112:1 124:16,22	<b>reveal</b> 70:23
97:21,23 112:12	<b>remainder</b> 18:7	<b>research</b> 65:20,24	<b>review</b> 20:9,13
123:4 126:13,18,20	27:14	81:9 131:13,18	86:11 88:7,8 114:22
129:11,14,16 133:6	<b>remaining</b> 31:1	<b>resigned</b> 26:7	125:19 135:9
135:11 136:5	85:25	<b>resolution</b> 75:1	<b>reviewed</b> 21:19
<b>record's</b> 34:17	<b>remark</b> 38:3	<b>resolved</b> 8:23 11:17	98:20 119:13
<b>records</b> 110:14	<b>remember</b> 6:16 8:5	<b>resources</b> 41:2	<b>reviewing</b> 18:22
<b>recover</b> 121:24	9:1,5 11:16 12:5,18	<b>respect</b> 13:19,25	41:11
<b>recreate</b> 120:16	12:24 27:22,24	14:2 16:4 26:24	<b>revisit</b> 57:4
<b>redacted</b> 95:14	31:19 75:11,12 87:9	34:11 42:18 43:14	<b>rid</b> 99:11,12 100:5
	123:12	60:15 75:7,9 76:6	101:8

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430

## HIGHLY CONFIDENTIAL

[right - services]

Page 20

<b>right</b> 6:3 8:22 10:23 12:20 15:3,10,12 16:2 17:20 19:2 24:19,23 27:7 28:24 29:6,8,11,24 30:21 31:18 34:1,19 36:1 36:3,23 39:18,20 42:3 43:19 44:16 46:9 50:9,15,20,23 51:10 52:24 54:2,10 55:6,12 56:13,16 59:8 61:16 62:1,23 63:1,9 65:8 67:17 68:3,9,11 70:8 73:6 76:7 77:22 78:6 79:12 80:8 82:11 83:9 84:5,8,15,22 86:7,18 87:18,22 88:5,12 89:9,11 95:7 97:2 98:10,24 98:25 99:13 100:6 100:18 101:2,3 102:2 103:20 104:5 105:10,16,17 106:6 106:8,10,12,14,17 106:19 108:7,11 109:1,22 110:8 <b>rights</b> 96:10,13 <b>rmr</b> 1:19 135:23 <b>road</b> 95:2 99:3 <b>robert</b> 3:7 5:8 <b>role</b> 14:6 24:21 25:15 26:1,12,16,25 33:17 <b>roles</b> 33:8,11 <b>ron</b> 66:2 <b>ronald</b> 2:2 5:11 6:11 <b>ronn</b> 64:22 <b>room</b> 19:11 <b>rose</b> 52:3 127:11 128:2 <b>ross</b> 78:11 <b>roughly</b> 28:12,14 119:22 130:21	<b>row</b> 54:6,12 95:20 <b>rpr</b> 1:19 135:23 <b>rule</b> 50:1 55:12 60:18 99:11 100:6 101:8 104:23 119:14,16,17 120:9 121:10,13 126:11 <b>rules</b> 109:2 <b>ruling</b> 73:20 <b>run</b> 17:2 33:13,16 33:21 <b>running</b> 33:21  <b>s</b>  <b>s</b> 4:8 30:10 35:8 <b>sachs</b> 28:1 29:21,22 30:6 <b>safeway</b> 53:17 <b>sake</b> 16:2 <b>sales</b> 102:13 110:11 113:4 123:22 128:10 129:24 130:3,10,11,12 132:9,18 <b>sam's</b> 78:13 80:8,15 81:24,25 84:25 85:4 87:17,24 89:6,18 96:2 <b>san</b> 2:21 <b>sani</b> 16:23,24 <b>satisfied</b> 62:10 <b>saved</b> 37:5 <b>saw</b> 57:11 67:13 73:25 78:23 79:2,3 79:6 96:16 98:4,12 <b>saying</b> 53:2,18 67:24 78:2 81:22,23 83:10,12 88:24 96:9 99:3 103:3 124:25 <b>says</b> 39:19,22 42:10 43:19 47:12,22 48:2 48:11 52:13,25 58:1 67:17 68:11 69:7,22 70:14 74:5 80:3,9 80:16,24 82:12,13	82:14 83:21 85:3,22 89:21 92:8,9 95:14 96:5 101:5 102:10 103:25 105:8 109:12 110:8 <b>scale</b> 92:11 94:5 <b>schnell</b> 78:10,12 79:12 80:15 81:18 82:2 83:3,21 84:2 84:10 87:21 88:22 89:3,4,19 90:6,14 123:25 124:2 <b>school</b> 16:23 <b>schooled</b> 80:19 85:8 <b>scientifically</b> 104:3 <b>scientist</b> 65:23 <b>seal</b> 80:21 82:24 85:5 134:10 <b>second</b> 44:9 47:7,22 52:10,11,12 59:11 92:5 103:18 114:22 125:19 <b>secretary</b> 36:14 <b>sections</b> 41:5 42:19 <b>see</b> 6:15 39:18 40:2 42:14 43:2,24 46:4 47:8,16,17 48:13,25 50:12 53:8,11,20,24 54:7 56:20 58:7 64:18,24 67:5,8,17 67:22 68:3,7,14,19 68:21 69:5,6,11 70:1,17 74:7 75:5 78:7,14 79:10,22 80:13,22 81:15 82:1 82:7,9,21,25 83:19 83:24 84:19 85:12 86:15 88:14 91:22 92:3,16 94:10 95:22 96:16 98:18,24 99:21 102:1 103:15 105:21 109:15,19 110:12,18,23 115:3 115:5 118:16 121:9 131:25	<b>seeing</b> 96:7 <b>seek</b> 42:12 63:7 71:15,16 72:5 <b>seemingly</b> 127:10 <b>seen</b> 40:14 45:25 47:4 67:10 78:16,24 79:4 80:10 91:16 101:22 <b>segregated</b> 106:21 110:17 <b>seim</b> 64:22 66:2,3 <b>sell</b> 47:14 103:7 115:11 117:9,14 <b>selling</b> 103:2 113:23 120:14 <b>sending</b> 73:13 <b>senior</b> 31:4,6 34:6 <b>sense</b> 21:18 27:11 30:9 <b>sent</b> 41:12 44:15 50:8 58:1 69:14 70:20 84:1,18 88:24 89:24 90:11,12 92:6 115:18 <b>sentence</b> 52:10,10 52:11,12 99:6 125:21 <b>september</b> 102:15 103:15 105:20 109:17 134:16 <b>sequentially</b> 38:20 77:18 <b>series</b> 15:6 92:4 114:21 <b>serious</b> 95:15 <b>served</b> 62:2 <b>service</b> 54:9 56:19 56:25 57:2 58:2 62:12 99:17 100:8 103:12 115:11 117:10,10 118:15 129:25 130:1,4,10 130:17 132:12 <b>services</b> 52:4
---	---	--	---



## HIGHLY CONFIDENTIAL

[servicing - stepped]

Page 21

<b>servicing</b> 107:11 <b>set</b> 28:5,7 39:6 48:7 86:12 88:7 120:19 <b>setting</b> 60:23 125:23 <b>settled</b> 8:25 <b>seven</b> 10:18 28:14 52:25 116:8 122:16 <b>sf</b> 69:23 70:4 <b>share</b> 90:5 <b>shareholder</b> 30:7 <b>shareholders</b> 23:13 <b>sharp</b> 78:11 <b>shelf</b> 10:5,14,15,18 86:25 87:1 100:12 <b>shell</b> 61:11 68:3 69:8 81:24 111:7,9 113:14,15,18 127:24,25 128:4 131:15 <b>shelled</b> 81:7 <b>shore</b> 6:16 <b>short</b> 15:21 16:8 87:1 93:1 100:12 <b>shortchange</b> 39:14 <b>shorter</b> 117:5 <b>show</b> 97:7 101:10 <b>showed</b> 21:18 <b>showing</b> 45:10 77:8 <b>shrink</b> 32:12 33:1 <b>sic</b> 10:12 <b>side</b> 8:2,3 56:25 130:15,16,16 <b>sided</b> 127:10,21,22 <b>sideline</b> 54:3,23 <b>sign</b> 56:23 119:19 133:2 <b>signed</b> 40:18 41:12 52:5,13,20 53:1 105:12 <b>significant</b> 85:10 94:18 <b>similar</b> 59:24 61:14 <b>single</b> 57:16 <b>singled</b> 74:6	<b>sit</b> 10:6 17:14 52:8 58:9 59:20 72:7 88:20 90:1 <b>situation</b> 47:18 74:6 74:10 <b>six</b> 32:18 48:18 116:8 <b>size</b> 131:11 <b>skip</b> 80:25 82:13,13 <b>skipping</b> 53:10 74:5 85:17,22 95:8 <b>slaughter</b> 106:21 <b>slim</b> 124:25 <b>slotted</b> 28:8 <b>slow</b> 93:12 <b>slowly</b> 15:24 95:10 96:22 <b>small</b> 82:19 88:18 121:21 <b>smile</b> 77:23 <b>smiling</b> 77:24 <b>smith</b> 2:3 5:14,14 <b>society</b> 92:12 94:7 94:17 <b>sold</b> 61:12 85:6,6 102:19 113:25 <b>solicited</b> 72:13 <b>somebody</b> 40:20 44:25 64:18 72:5,22 73:4 75:11 76:25 77:6 120:17 121:2 <b>someday</b> 95:2 <b>someplace</b> 37:5 <b>somewhat</b> 15:5 18:13 80:18 <b>sorry</b> 22:23 31:13 32:17,17 38:20 52:11,18 64:17 65:17 68:17,22 85:21 88:23 91:5,6 99:1 102:12 114:24 125:8 128:20 <b>sort</b> 76:11 <b>sought</b> 42:17 43:12 43:14 72:1 75:8	76:20 <b>sounds</b> 15:11 16:1 70:14 72:20 86:1 <b>source</b> 116:17 <b>sourcing</b> 66:23 117:7 <b>south</b> 2:16 3:3 12:18 <b>southeast</b> 100:13 <b>southern</b> 24:10 <b>soy</b> 116:9 <b>space</b> 59:24 61:7 104:3 106:7 109:14 <b>sparboe</b> 52:4 58:5 58:23 60:13,16,20 75:18,23,25 76:1 79:14 83:17 84:25 85:1 86:3,14 87:3,8 87:9,11,25 88:13,17 89:20 90:17 95:17 123:2,8,9,10 124:2 124:10,12 125:5,6 125:17,25 126:4 <b>sparboe's</b> 87:16 90:3,7 96:1 <b>sparish</b> 64:18 65:14 65:15 92:7 <b>speak</b> 13:18 15:24 <b>speakerphone</b> 2:22 3:5 <b>speaking</b> 36:11 <b>specific</b> 28:7 34:4 36:22 37:17 62:13 62:17 74:2 <b>specifically</b> 16:8 17:22 41:5,8 42:5 75:19 87:17 89:6 90:10 102:7 111:14 117:2 119:7 123:7 126:5 <b>specifics</b> 33:2 <b>specified</b> 108:25 <b>spell</b> 35:6 <b>spend</b> 18:19 19:2 34:9 122:7	<b>spending</b> 34:8 <b>spent</b> 18:21 <b>spoke</b> 20:21 21:4,11 82:23 <b>spoken</b> 72:23 73:9 73:10 <b>spring</b> 32:4 <b>square</b> 106:7,8,10 106:12,14 109:22 <b>ssl</b> 85:6 87:1 <b>stahl</b> 3:3 63:21 <b>stake</b> 10:8 <b>stand</b> 59:16 111:3 <b>standard</b> 110:22 <b>standpoint</b> 107:11 <b>start</b> 6:12 17:4 80:13 112:19 129:22 <b>started</b> 14:14 22:17 35:18 58:17 96:8,8 122:12 123:8 <b>starting</b> 16:12 78:7 96:13 <b>starts</b> 78:8 <b>state</b> 5:10 6:13 8:17 8:20 134:3,15 135:3 135:7 <b>statement</b> 129:23,25 <b>statements</b> 9:16 <b>states</b> 1:1 39:25 53:4 95:3,5 113:9 <b>statsky</b> 2:3 5:14 <b>status</b> 109:13 <b>stay</b> 24:21 31:21 58:15 <b>stayed</b> 32:1 109:1,2 <b>staying</b> 85:23 <b>stenographic</b> 135:11 <b>stenographically</b> 135:8 <b>step</b> 95:11 99:4 <b>stephen</b> 2:7 5:16 112:16 <b>stepped</b> 25:15,17,20 25:25 26:16
--	--	--	--

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430



## HIGHLY CONFIDENTIAL

[steps - things]

Page 22

<b>steps</b> 58:4 73:23 86:12 88:8 95:21 <b>steve</b> 64:22 65:25 66:1 <b>steven</b> 27:18 28:20 126:13 <b>stewart</b> 2:11 5:20 <b>stinson</b> 2:15 5:21 <b>stocker</b> 101:5 <b>stoller</b> 90:22 91:16 92:8,9,20 93:13,17 94:4,13 <b>stop</b> 94:19 <b>strada</b> 1:13 <b>street</b> 2:4,8,15,16,20 5:12,22 35:14,24 43:6 72:24 86:3 132:1,2,8 <b>strictly</b> 39:23 <b>strikes</b> 129:4 <b>strong</b> 71:5 <b>strongly</b> 85:8 <b>structure</b> 33:18 <b>studies</b> 130:25 <b>study</b> 81:10 131:3,7 131:10,12 <b>stuff</b> 122:9 <b>style</b> 47:13 <b>styled</b> 5:5 <b>subcommittees</b> 67:20 <b>subject</b> 43:13 50:14 51:22 54:1 57:25 64:23 78:13 89:14 92:8 <b>subjects</b> 43:21 <b>submitted</b> 9:15 <b>subscribed</b> 136:22 <b>subsection</b> 39:22 <b>substantial</b> 74:19 <b>substitute</b> 71:6 <b>suffice</b> 117:3 <b>sufficiently</b> 56:8 <b>suggestions</b> 47:23	<b>suit</b> 18:16 <b>suite</b> 2:21 3:4 <b>summarized</b> 83:3 <b>summarizing</b> 84:17 98:9 <b>summary</b> 64:23 67:4 78:13 80:24 82:2 84:25 85:3 89:4,6,18,24 <b>summer</b> 105:1 <b>sunny</b> 10:4 70:4 71:2,6,11 76:6 99:18 100:17,22 101:6 122:12 <b>super</b> 54:16,16 <b>superior</b> 43:22 <b>suppliers</b> 119:24 <b>supply</b> 48:3 114:11 114:15 115:20 116:10,15 117:4 120:15,16,18,19,20 121:1,4 122:21 <b>support</b> 58:5 60:13 60:16 85:9 <b>supportive</b> 99:16 100:1 <b>suppose</b> 39:7 <b>supposed</b> 17:14 18:25 100:25 <b>supposition</b> 118:1 131:6 <b>sure</b> 13:1 15:24 23:4 29:18 39:12 40:22 58:16 60:21 65:8,12 85:11 101:4 104:17 111:8 115:8 118:6 124:20 <b>surrounding</b> 10:2 24:12 26:6 <b>sv</b> 54:6,12,14 <b>swift</b> 17:1,2 <b>sworn</b> 6:3,6 9:16,21 134:8 136:22 <b>sysco</b> 112:3	<b>system</b> 61:13 95:1,2 <b>systems</b> 61:23  <b>t</b> <b>t</b> 4:8 30:10 97:10 <b>tab</b> 97:10 <b>take</b> 15:21 30:23 32:5 36:16,18 39:1 45:20 47:11 50:3 57:7,19 63:10 70:10 77:19 78:6 88:3 93:1,12 97:11,17 101:16 112:8 113:17,24 114:22 117:15 121:4 122:6 122:17 125:19 129:1 130:22,23 <b>taken</b> 1:16 36:8 45:5 63:14 73:23 76:20 97:22 112:11 126:19 129:15 136:4 <b>talk</b> 49:19 59:11 60:12 100:4 107:14 119:20 <b>talked</b> 50:20,23 51:10 60:25 69:14 71:20 89:24 95:25 96:2 111:11,15 126:6 128:6,14 <b>talking</b> 13:12,18 17:15 25:7 32:21 34:17,21,22 41:5 52:14 55:4 60:15 62:19 81:14,20 104:11 112:20 <b>talks</b> 47:8 82:11 103:20 115:6 <b>tape</b> 97:17 <b>tasked</b> 72:10 <b>team</b> 32:25 88:9,19 89:14 90:11,12,14 <b>technical</b> 10:24 <b>tell</b> 21:17 71:15 112:24	<b>telling</b> 72:25 <b>ten</b> 14:12 24:22 28:7 31:1 120:6 122:16 <b>tend</b> 30:1 <b>tense</b> 80:18 <b>tenure</b> 27:10 28:6 28:13 35:10 37:16 44:5 45:6 47:19 48:22 49:3 50:17 130:6 131:1 <b>tenures</b> 27:25 <b>term</b> 10:24 43:2 85:10 116:24 117:4 117:6 121:4 <b>termination</b> 7:9 <b>terms</b> 11:7 15:2 66:23 75:1 113:22 114:15 117:7 122:4 <b>terry</b> 20:13 38:25 41:15 64:7,7,16 66:23 69:22 92:7,14 94:8 95:8 98:8 101:5 127:18 <b>testified</b> 6:7 8:12,14 9:9,19 11:10 15:2 <b>testify</b> 11:14 12:23 <b>testifying</b> 6:19 15:13 16:3 17:10 21:2,15 27:4 <b>testimony</b> 7:23 9:14 9:16,21 12:7 18:3,7 20:9,13,18 21:20 136:4,6 <b>th</b> 28:1 29:19 30:5 30:12 31:9,14,22 32:2,5 <b>thank</b> 15:1 51:21 63:22 79:10 130:24 <b>thanking</b> 6:13 <b>thanks</b> 63:20 86:14 <b>theme</b> 90:7 <b>thing</b> 15:19 67:18 70:3 <b>things</b> 33:21 34:23 44:23 111:1 130:15
---	---	--	---

## HIGHLY CONFIDENTIAL

[think - understand]

Page 23

<b>think</b> 7:9 8:1 9:3 10:19 14:15,23 15:12 18:10,13,24 20:1 25:13 26:17 27:18 29:15 31:5,8 42:16 44:12 45:2 50:20 51:14,15 52:16 56:2,16 61:1 61:4,13 66:15 70:19 81:14 85:1,15,22 91:13 95:14,19 96:4 99:18,18 100:9,9 108:7 111:7 113:8 114:3 <b>thinking</b> 33:10 127:14 <b>third</b> 48:2 116:19 122:14 <b>thirds</b> 116:20,23 128:15 <b>thought</b> 7:19 71:25 85:21 86:21 100:11 <b>thoughts</b> 75:4 <b>threat</b> 95:16 <b>three</b> 19:4 68:12 69:7 78:9 <b>tim</b> 20:9 41:18 50:8 54:10 64:22 66:5 127:18 <b>time</b> 1:11 5:9 15:16 18:2,19,21,24 20:8 20:21 21:4,11,23 23:8 25:14 27:15,20 28:9,10 29:2,14,25 30:23 33:15 35:10 44:23 46:7 55:12,15 58:22,24 60:8 62:3 62:19 63:12,15 65:2 65:13,16 66:18 72:17,25 73:2,19 74:22 76:16 79:2 82:17 86:11 88:3 89:16 93:25 94:13 96:18 97:20,23 98:12 104:18 105:6	107:14,19,22,24 108:2,6,14 109:18 112:10,12,25 113:2 113:2 116:18 117:1 117:2 119:2,4,6,10 120:1,5 121:18 122:1,4,6,24,25 124:13 126:17,20 129:13,16 130:3,5 133:6 <b>times</b> 51:16 58:18 110:18 <b>title</b> 21:23 22:1 65:12 67:4 <b>titled</b> 38:22 46:24 <b>toby</b> 21:11 41:21 64:22 66:7,21,22 127:18 <b>today</b> 5:2 6:13,19 10:7 15:14 16:3 17:10,14 18:4,7 20:9 21:2,7,15,20 27:4 35:16 52:9 58:10 59:21 72:8 88:21 90:1 113:7 114:24 <b>today's</b> 18:19 20:12 <b>told</b> 6:15 51:14 95:10 <b>tone</b> 80:17 <b>top</b> 42:9 46:2 85:10 92:5 102:10 <b>topic</b> 17:14,22,25 18:1,5 57:4 <b>torres</b> 2:20 5:25 <b>totally</b> 81:1 <b>touch</b> 85:5 <b>trade</b> 43:20 71:2 74:7,11 75:1,15 132:11,17 <b>transcript</b> 20:15 135:10,10 136:3 <b>transition</b> 104:1 <b>transmitted</b> 40:16	<b>transportation</b> 106:20 <b>travis</b> 3:2 63:20 <b>treatment</b> 59:25 94:16 <b>trial</b> 9:2,11,13 11:12 11:15 12:7 <b>trimming</b> 106:20 <b>troubles</b> 82:20 <b>true</b> 135:10 136:5 <b>truthfully</b> 15:10,13 <b>try</b> 15:23 31:19 68:25 87:24 113:20 114:3 <b>trying</b> 68:21 86:6 <b>tuesday</b> 51:25 80:6 98:9 <b>turn</b> 42:8 47:7 68:9 79:21 81:9 103:18 <b>twin</b> 54:19 <b>two</b> 15:3 21:21 22:18 25:16,24 26:7 45:17 46:22 49:8 54:17 64:8 68:11,20 69:1 82:12 84:1 91:12 93:3,7 97:8 116:20,23 128:14 <b>type</b> 115:10 116:3 132:9  <b>u</b>  <b>u.s.</b> 114:9 115:20 <b>ue</b> 4:12,12 45:13,14 45:18,18 <b>uea</b> 110:22 111:3 <b>uep</b> 18:2 26:13 27:2 27:6 34:12,16,18 46:3,21,22,25 48:25 49:14 50:1,14 51:22 51:24 52:23 54:1 55:4,15 57:6,11,25 58:4,10,12,18,22 60:1,4,9,11,18 62:4 62:6 63:8 64:24 67:4,14,19 69:7	70:9,11,16 71:7,9 74:10,12,14,15 75:21 76:3 78:4 80:20,25 81:14,25 82:15 85:4,8,24 86:2 87:3,4,8,10,23 88:3 89:18 90:3,7 92:13,15 93:21 94:7 94:9 95:4,11,17 96:6,15,21 98:9 99:9,18 100:5,18,23 101:7 104:9,21 105:8,9,20,25 106:6 106:25 107:9,23,25 108:8,23 109:6,18 109:24 110:8,11,22 112:1 119:3,11 122:2,23 123:10 124:5,13,22 125:2 126:1,8 127:7,8,10 127:12,15,16,20,22 128:7,17,19 <b>uep's</b> 59:6 70:12 95:25 104:19 <b>uh</b> 19:6 24:20 32:10 51:8 100:19 <b>ultimately</b> 58:17 102:21 113:25 125:2  <b>ultra</b> 10:18,21 <b>un</b> 131:5 <b>unclear</b> 89:2 <b>uncompetitive</b> 94:22 96:14 <b>undergraduate</b> 16:14 <b>underlying</b> 91:24 98:24 99:1 <b>underscore</b> 77:16 77:18 <b>undersigned</b> 134:6 <b>understand</b> 6:18 10:23 15:7,22 16:3 16:4 17:9 18:3,14 37:19 49:14,20,22
--	---	--	--

## HIGHLY CONFIDENTIAL

[understand - wrong]

Page 24

83:9,10 84:10,16 88:23 124:20 131:24 <b>understanding</b> 10:6 11:6 17:13,22 18:12 23:9 24:11 30:16 37:23 49:25 52:8,14 53:13 54:21 55:14 58:9 59:20 69:13 81:17,20 83:2 84:14 92:18,20 93:14,19 99:5 101:24 102:5,9 107:3 111:21 <b>understood</b> 15:9 118:22 <b>unfortunately</b> 76:23 92:13 94:7 101:1 <b>united</b> 1:1 49:17 55:21 61:8 87:15 95:3,4 99:10 104:2 104:13 111:4,5 113:9 127:23 <b>university</b> 16:17 <b>update</b> 44:22 <b>urner</b> 118:8 <b>usa</b> 102:10,11 <b>usda</b> 110:14 <b>use</b> 62:11 71:7 81:1 82:23 91:4 103:5,13 116:17	<b>vendors</b> 114:13 <b>venued</b> 8:17 11:7 <b>verbal</b> 105:9 <b>verdict</b> 9:4 11:19,21 <b>versus</b> 82:19 127:20 <b>vestar</b> 27:25 29:18 30:4,9,23 31:22 32:3 <b>vestar's</b> 31:6 <b>vice</b> 41:1 80:7,15 <b>videographer</b> 3:7 5:1,8,23 6:2 63:12 63:15 97:16,20,23 112:10,12 126:17 126:20 129:13,16 133:5 <b>videotaped</b> 1:8 5:3 <b>view</b> 33:17 111:23 112:6 127:6 <b>vince</b> 64:17 65:4,5 92:6 114:25 115:1 115:17 <b>violation</b> 37:24 <b>virtue</b> 11:19 <b>visiting</b> 83:22 <b>volume</b> 21:18 <b>voted</b> 67:24 68:6 69:15 <b>voting</b> 52:1 <b>vsl</b> 10:12	129:22 <b>wanted</b> 13:16 34:1 57:10,10 61:22 79:20 88:8 91:23 120:6 121:22 124:18 125:21 <b>watch</b> 54:3,22 <b>way</b> 58:25 62:10 79:6 113:18 121:24 <b>wayne</b> 78:10 123:24 124:2 <b>we've</b> 46:24 119:5 123:4 <b>wednesday</b> 50:11 57:18 <b>week</b> 125:22 <b>weeks</b> 10:19,19,19 <b>welcome</b> 63:24 <b>welfare</b> 34:18 49:19 49:22 50:14 51:22 51:24 54:2 55:16 57:25 67:21 68:10 68:20 69:1 74:20 122:23 <b>wendy</b> 78:11 <b>went</b> 9:2 11:23 14:12 17:1,2 24:13 89:13 122:5 <b>westdal</b> 78:12 <b>westphal</b> 14:3,4,16 14:23 64:23 66:10 66:11 <b>whatsoever</b> 26:12 <b>whichever</b> 38:2 <b>whites</b> 113:1 <b>william</b> 2:15 5:21 <b>willing</b> 62:15 120:3 <b>willingness</b> 81:3 <b>window</b> 29:2 <b>wisconsin</b> 16:17 <b>wishes</b> 63:18 <b>withdrawal</b> 106:19 <b>withdrawn</b> 7:5 9:23 11:22 40:23 41:14 42:7 43:1 59:16	79:11 90:4 93:15 101:25 106:2 117:22 128:13 131:24 <b>witness</b> 4:2 6:6,8 12:22,24 39:15 42:23 51:3,8 56:13 64:13 66:21 70:25 79:23 86:8 87:6 93:7 94:15 97:19 98:16 125:10 129:10 132:11 134:10 <b>witnessed</b> 81:2 <b>wolski</b> 35:5,9,15 36:16 40:10 43:7,8 72:17 73:6,7 <b>woman</b> 20:2 27:23 <b>women</b> 80:19 <b>woodward</b> 13:22,24 35:14 41:1 73:8,9 73:11 <b>woodworth</b> 13:23 <b>words</b> 28:6 34:1 57:9 103:3 <b>work</b> 15:6 16:20 25:17 26:1 76:24 110:21 112:7 <b>worked</b> 7:11 16:23 61:8 66:23 76:22 <b>working</b> 26:9 125:24 <b>world</b> 95:3 96:5 117:7 <b>wright</b> 1:12 5:4 <b>write</b> 115:8 116:2 117:9 124:7,15 125:21 126:7 127:6 <b>writes</b> 51:23 123:24 <b>written</b> 9:16 37:17 67:7 <b>wrong</b> 37:1 44:12 52:17 59:12 76:15 89:4
<b>v</b>	<b>w</b>		
<b>v</b> 30:10 45:19 <b>vague</b> 132:5 <b>validation</b> 110:21 <b>value</b> 11:4 54:16,16 61:20 115:22 127:7 127:17,19 <b>variable</b> 116:8 <b>variables</b> 116:8 <b>varied</b> 28:10 <b>variety</b> 108:10 <b>various</b> 68:6 <b>vary</b> 28:9	<b>w</b> 35:8 38:25 <b>wal</b> 78:2,13 80:3,5 81:6 82:3 83:4 84:24 85:4,6,11 87:17,23 89:6,18 96:3,9,12 112:3 <b>want</b> 27:10 30:9 33:9 39:8,10,12,13 39:14 43:12,13 63:6 70:15,22 72:21 93:4 96:6 97:2 100:14 117:17,17 121:7,8,9 121:10 126:14		

VERITEXT REPORTING COMPANY

212-279-9424

www.veritext.com

212-490-3430

## HIGHLY CONFIDENTIAL

[wrongful - zitrin]

Page 25

<b>wrongful</b> 7:9 <b>wrote</b> 54:22 69:18 84:11 89:4 94:2
<b>x</b>
<b>x</b> 4:1,8
<b>y</b>
<b>yeah</b> 7:19,21 9:12 10:10 11:18 14:15 18:16 21:10 28:25 29:22 32:14 59:23 83:5 84:6,20 85:18 93:5 97:19 98:16 99:11 103:19 128:4 129:9 131:5 <b>year</b> 17:4 25:18,24 32:2 35:18 68:2 81:6 119:22 122:16 <b>yearly</b> 44:11,13,15 <b>years</b> 14:12 20:23 21:5,13,13 25:17 26:7 33:10 92:11 94:5 124:24 <b>yesterday</b> 18:21 19:3 67:13 79:3 98:18 117:18 <b>yolk</b> 113:1,5 <b>york</b> 2:4,12 5:12,12
<b>z</b>
<b>zachman</b> 78:11 <b>zitrin</b> 2:19 5:24,24 133:1